

Hacker Accounting LLC

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

Phoenix, AZ 85029

January 5, 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 November 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 November 30, 2013

	<u>Nov 30, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
117 · Checking/Compass	59,579.76
111 · Cash on Hand	100.00
114 · Compass Cap/Expd/Dep	269,473.65
116 · Cash-MM	106,498.15
Total Checking/Savings	<u>435,651.56</u>
Accounts Receivable	
121 · Accounts Receivable	109,715.35
Total Accounts Receivable	<u>109,715.35</u>
Other Current Assets	
140 · Prepaid Insurance	4,619.74
1499 · Undeposited Funds	6,958.17
Total Other Current Assets	<u>11,577.91</u>
Total Current Assets	<u>556,944.82</u>
Fixed Assets	
1200 · Fixed Assets	
1210 · Land	9,000.00
1220 · Water District System	1,752,688.03
1230 · Buildings & Improvements	13,366.41
1240 · Machinery & Equipment	19,423.00
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	74,540.55
1260 · Office Furn & Fixtures	15,986.94
1281 · GPS Tracking - 2012	245.65
Total 1200 · Fixed Assets	<u>2,079,806.88</u>
1300 · Accumulated Depreciation	
1320 · Accum Depr-Water Distr Sys	-931,492.70
1330 · Accum Depr-Bldgs & Imp	-12,915.20
1340 · Accum Depr-Machinery & Equip	-19,423.00
1350 · Accum Depr- Transportation	-25,947.76
1360 · Accum Depr-Off Furn & Fix	-6,770.97
1300 · Accumulated Depreciation - Other	48,159.17
Total 1300 · Accumulated Depreciation	<u>-948,390.46</u>
Total Fixed Assets	<u>1,131,416.42</u>
Other Assets	
120 · Refundable Deposits	2,038.00
Total Other Assets	<u>2,038.00</u>
TOTAL ASSETS	<u><u>1,690,399.24</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
201 · Payroll Liabilities	13.71
203 · Accrued Power/Water	11,066.59
204 · Other Accrued Expenses	5,224.83
Total Other Current Liabilities	<u>16,305.13</u>
Total Current Liabilities	<u>16,305.13</u>
Total Liabilities	<u>16,305.13</u>

Sunburst Farms Irrigation District
Balance Sheet
As of November 30, 2013

	<u>Nov 30, 13</u>
Equity	
209 - Retained Earnings	1,620,260.37
Net Income	<u>53,833.74</u>
Total Equity	<u>1,674,094.11</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,690,399.24</u></u>

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

	<u>Nov 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 13</u>	<u>YTD Budget</u>	<u>Variance</u>
Ordinary Income/Expense						
Income						
211 · Water Fees	19,362.72	19,902.00	-539.28	127,221.84	132,894.00	-5,672.16
212 · Member Fees	31,439.16	31,439.17	-0.01	157,195.80	157,195.85	-0.05
213 · Other Services	220.90	40.00	180.90	280.90	200.00	80.90
214 · Escrow Transfer Fees	200.00	300.00	-100.00	1,400.00	1,500.00	-100.00
215 · Finance Charges	942.32	600.00	342.32	4,354.29	3,000.00	1,354.29
Total Income	<u>52,165.10</u>	<u>52,281.17</u>	<u>-116.07</u>	<u>290,452.83</u>	<u>294,789.85</u>	<u>-4,337.02</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	10,322.87	12,250.00	-1,927.13	78,287.33	83,650.00	-5,362.67
331 · State Water Fees	583.34	583.33	0.01	2,916.70	2,916.69	0.01
351 · Pump Supply "Oil"	0.00	100.00	-100.00	0.00	500.00	-500.00
352 · Transportation Gas/Oil	730.79	976.50	-245.71	4,309.98	6,520.50	-2,210.52
361 · Irrigation Labor	4,861.25	4,960.00	-98.75	27,523.67	33,120.00	-5,596.33
371 · Payroll Taxes & Fringe	371.89	402.50	-30.61	2,104.13	2,741.00	-636.87
372 · Irrigators-Health Insurance	532.04	644.40	-112.36	2,660.20	2,835.60	-175.40
Total 310 · Direct Costs of Water Delivery	<u>17,402.18</u>	<u>19,916.73</u>	<u>-2,514.55</u>	<u>117,802.01</u>	<u>132,283.79</u>	<u>-14,481.78</u>
Total COGS	<u>17,402.18</u>	<u>19,916.73</u>	<u>-2,514.55</u>	<u>117,802.01</u>	<u>132,283.79</u>	<u>-14,481.78</u>
Gross Profit	<u>34,762.92</u>	<u>32,364.44</u>	<u>2,398.48</u>	<u>172,650.82</u>	<u>162,506.06</u>	<u>10,144.76</u>
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,050.72	3,831.92	-781.20	16,756.75	16,860.60	-103.85
363 · Admin Payroll Expense	2,983.16	3,746.70	-763.54	16,385.66	16,485.82	-100.16
364 · Payroll Taxes/Fringe-Admin	478.28	699.30	-221.02	2,581.79	3,077.11	-495.32
365 · MNGR Gas Transportation	83.15	133.33	-50.18	344.89	666.65	-321.76
366 · Health Insurance "Salary"	442.02	477.25	-35.23	2,298.10	2,386.25	-88.15
375 · State Compensation Fund	1,168.00	411.58	756.42	1,964.00	2,057.94	-93.94

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

	<u>Nov 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 13</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	9,166.67	9,166.67	0.00	45,833.35	45,833.35	0.00
414 · Building & Equipment Repair	0.00	183.33	-183.33	305.66	916.69	-611.03
416 · Pumps-Maintenance	0.00	241.67	-241.67	357.39	1,208.35	-850.96
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	2,789.21	5,961.54	-3,172.33	18,702.66	26,230.77	-7,528.11
417.2 · Materials	1,740.70	1,000.00	740.70	8,982.94	5,000.00	3,982.94
417.3 · Outside Service	1,270.39	1,250.00	20.39	11,612.97	6,250.00	5,362.97
417.4 · MT Payroll Taxes	226.65	488.84	-262.19	1,447.44	2,150.92	-703.48
417.5 · MT Health Insurance	266.02	0.00	266.02	798.06	0.00	798.06
Total 417 · Maint/Repairs-Water System	<u>6,292.97</u>	<u>8,700.38</u>	<u>-2,407.41</u>	<u>41,544.07</u>	<u>39,631.69</u>	<u>1,912.38</u>
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	790.55	1,080.00	-289.45	8,553.13	5,400.00	3,153.13
419.2 · Tractor	0.00	0.00	0.00	4.02	0.00	4.02
Total 419 · Repairs-Transportation	<u>790.55</u>	<u>1,080.00</u>	<u>-289.45</u>	<u>8,557.15</u>	<u>5,400.00</u>	<u>3,157.15</u>
420 · MNT Gas Transportation	128.79	300.00	-171.21	1,463.49	1,500.00	-36.51
421 · Electricity	134.07	200.00	-65.93	1,329.91	1,000.00	329.91
422 · Sewer & Water	11.82	16.67	-4.85	59.94	83.35	-23.41
423 · Telephone Expense	481.18	466.67	14.51	2,569.26	2,333.35	235.91
431 · Insurance Expense	1,588.34	1,333.33	255.01	6,921.70	6,666.69	255.01
441 · Legal Expense	0.00	1,250.00	-1,250.00	0.00	6,250.00	-6,250.00
442 · Accounting Expenses	0.00	300.00	-300.00	1,200.00	1,500.00	-300.00
443 · Auditing Expenses	0.00	400.00	-400.00	0.00	2,000.00	-2,000.00
444 · Collection Services	90.00	40.00	50.00	130.00	200.00	-70.00
446 · Other Contracted Services	205.93	458.33	-252.40	2,032.46	2,291.69	-259.23
451 · Postage	449.18	358.33	90.85	1,772.59	1,791.69	-19.10
461 · Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 · Misc & Public Relations	29.29	16.67	12.62	29.29	83.35	-54.06
483 · Office Supplies	341.18	400.00	-58.82	2,692.57	2,000.00	692.57
484 · Mileage	39.10	22.00	17.10	199.34	110.00	89.34
485 · Bank Charges	10.00	0.00	10.00	14.00	0.00	14.00

Sunburst Farms Irrigation District Profit & Loss Budget vs Actual

November 2013

	<u>Nov 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 13</u>	<u>YTD Budget</u>	<u>Variance</u>
486 · Dues & Subscriptions	228.10	200.00	28.10	508.52	1,000.00	-491.48
Total 400 · Overhead Costs	<u>28,192.50</u>	<u>34,434.13</u>	<u>-6,241.63</u>	<u>157,851.88</u>	<u>163,334.57</u>	<u>-5,482.69</u>
Total Expense	<u>28,192.50</u>	<u>34,434.13</u>	<u>-6,241.63</u>	<u>157,851.88</u>	<u>163,334.57</u>	<u>-5,482.69</u>
Net Ordinary Income	6,570.42	-2,069.69	8,640.11	14,798.94	-828.51	15,627.45
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	10,350.00	10,350.00	0.00
219 · Misc/Other Income	20,913.75	100.00	20,813.75	28,394.58	500.00	27,894.58
511 · Interest Income	59.75	125.00	-65.25	290.22	625.00	-334.78
Total Other Income	<u>23,043.50</u>	<u>2,295.00</u>	<u>20,748.50</u>	<u>39,034.80</u>	<u>11,475.00</u>	<u>27,559.80</u>
Net Other Income	<u>23,043.50</u>	<u>2,295.00</u>	<u>20,748.50</u>	<u>39,034.80</u>	<u>11,475.00</u>	<u>27,559.80</u>
Net Income	<u><u>29,613.92</u></u>	<u><u>225.31</u></u>	<u><u>29,388.61</u></u>	<u><u>53,833.74</u></u>	<u><u>10,646.49</u></u>	<u><u>43,187.25</u></u>

Sunburst Farms Irrigation District
A/R Aging Summary
As of November 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>36,554.39</u>	<u>3,488.30</u>	<u>0.38</u>	<u>3,680.93</u>	<u>65,991.35</u>	<u>109,715.35</u>
Total A/R 2012	<u>43,397.27</u>	<u>7,310.31</u>	<u>-245.25</u>	<u>6,762.06</u>	<u>81,956.84</u>	<u>139,181.23</u>
Variance- Better/(Worse)	<u>6,842.88</u>	<u>3,822.01</u>	<u>(245.63)</u>	<u>3,081.13</u>	<u>15,965.49</u>	<u>29,465.88</u>