

Hacker Accounting LLC

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

Phoenix, AZ 85029

December 11, 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 October 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
Balance Sheet
 As of October 31, 2013

	<u>Oct 31, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
111 · Cash on Hand	100.00
114 · Compass Cap/Expd/Dep	240,200.74
116 · Cash-MM	106,499.40
117 · Checking/Compass	74,032.58
Total Checking/Savings	<u>420,832.72</u>
Accounts Receivable	
121 · Accounts Receivable	121,723.58
Total Accounts Receivable	<u>121,723.58</u>
Other Current Assets	
140 · Prepaid Insurance	5,953.08
1499 · Undeposited Funds	1,050.27
Total Other Current Assets	<u>7,003.35</u>
Total Current Assets	<u>549,559.65</u>
Fixed Assets	
1210 · Land	9,000.00
1220 · Water District System	1,752,688.03
1230 · Buildings & Improvements	13,366.41
1240 · Machinery & Equipment	22,782.00
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	69,377.45
1260 · Office Furn & Fixtures	21,677.94
1281 · GPS Tracking - 2012	245.65
1320 · Accum Depreciation	-967,598.79
Total Fixed Assets	<u>1,116,094.99</u>
Other Assets	
120 · Refundable Deposits	2,038.00
Total Other Assets	<u>2,038.00</u>
TOTAL ASSETS	<u><u>1,667,692.64</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
201 · Payroll Liabilities	13.71
203 · Accrued Power/Water	17,973.91
204 · Other Accrued Expenses	5,224.83
Total Other Current Liabilities	<u>23,212.45</u>
Total Current Liabilities	<u>23,212.45</u>
Total Liabilities	23,212.45
Equity	
209 · Retained Earnings	1,620,260.37
Net Income	24,219.82
Total Equity	<u>1,644,480.19</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,667,692.64</u></u>

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
October 2013

	<u>Oct 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Oct 13</u>	<u>YTD Budget</u>	<u>Variance</u>
Ordinary Income/Expense						
Income						
211 · Water Fees	33,146.46	25,680.00	7,466.46	107,859.12	112,992.00	-5,132.88
212 · Member Fees	31,439.16	31,439.17	-0.01	125,756.64	125,756.68	-0.04
213 · Other Services	40.00	40.00	0.00	60.00	160.00	-100.00
214 · Escrow Transfer Fees	200.00	300.00	-100.00	1,200.00	1,200.00	0.00
215 · Finance Charges	888.38	600.00	288.38	3,411.97	2,400.00	1,011.97
219 · Misc/Other Income	262.00	100.00	162.00	7,480.83	400.00	7,080.83
Total Income	<u>65,976.00</u>	<u>58,159.17</u>	<u>7,816.83</u>	<u>245,768.56</u>	<u>242,908.68</u>	<u>2,859.88</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	17,471.86	17,450.00	21.86	67,964.46	71,400.00	-3,435.54
331 · State Water Fees	583.34	583.34	0.00	2,333.36	2,333.36	0.00
351 · Pump Supply "Oil"	0.00	100.00	-100.00	0.00	400.00	-400.00
352 · Transportation Gas/Oil	779.03	1,260.00	-480.97	3,579.19	5,544.00	-1,964.81
361 · Irrigation Labor	7,195.75	6,400.00	795.75	22,662.42	28,160.00	-5,497.58
371 · Payroll Taxes & Fringe	550.48	571.50	-21.02	1,732.24	2,338.50	-606.26
372 · Irrigators-Health Insurance	532.04	515.52	16.52	2,128.16	2,191.20	-63.04
Total 310 · Direct Costs of Water Delivery	<u>27,112.50</u>	<u>26,880.36</u>	<u>232.14</u>	<u>100,399.83</u>	<u>112,367.06</u>	<u>-11,967.23</u>
Total COGS	<u>27,112.50</u>	<u>26,880.36</u>	<u>232.14</u>	<u>100,399.83</u>	<u>112,367.06</u>	<u>-11,967.23</u>
Gross Profit	<u>38,863.50</u>	<u>31,278.81</u>	<u>7,584.69</u>	<u>145,368.73</u>	<u>130,541.62</u>	<u>14,827.11</u>
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,813.40	3,065.57	747.83	13,706.03	13,028.68	677.35
363 · Admin Payroll Expense	3,728.95	2,997.48	731.47	13,402.50	12,739.12	663.38
364 · Payroll Taxes/Fringe-Admin	600.06	559.49	40.57	2,103.51	2,377.81	-274.30
365 · MNGR Gas Transportation	0.00	133.33	-133.33	261.74	533.32	-271.58
366 · Health Insurance "Salary"	486.02	477.25	8.77	1,856.08	1,909.00	-52.92

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
October 2013

	<u>Oct 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Oct 13</u>	<u>YTD Budget</u>	<u>Variance</u>
375 · State Compensation Fund	0.00	411.59	-411.59	796.00	1,646.36	-850.36
411 · Depreciation Expense	9,166.67	9,166.67	0.00	36,666.68	36,666.68	0.00
414 · Building & Equipment Repair	0.00	183.34	-183.34	305.66	733.36	-427.70
416 · Pumps-Maintenance	0.00	241.67	-241.67	357.39	966.68	-609.29
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	3,221.45	4,769.23	-1,547.78	15,913.45	20,269.23	-4,355.78
417.2 · Materials	1,732.73	1,000.00	732.73	7,242.24	4,000.00	3,242.24
417.3 · Outside Service	10.00	1,250.00	-1,240.00	10,342.58	5,000.00	5,342.58
417.4 · MT Payroll Taxes	246.40	391.08	-144.68	1,220.79	1,662.08	-441.29
417.5 · MT Health Insurance	266.02	0.00	266.02	532.04	0.00	532.04
Total 417 · Maint/Repairs-Water System	5,476.60	7,410.31	-1,933.71	35,251.10	30,931.31	4,319.79
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	3,699.13	1,080.00	2,619.13	7,762.58	4,320.00	3,442.58
419.2 · Tractor	0.00	0.00	0.00	4.02	0.00	4.02
Total 419 · Repairs-Transportation	3,699.13	1,080.00	2,619.13	7,766.60	4,320.00	3,446.60
420 · MNT Gas Transportation	329.15	300.00	29.15	1,334.70	1,200.00	134.70
421 · Electricity	221.98	200.00	21.98	1,195.84	800.00	395.84
422 · Sewer & Water	12.24	16.67	-4.43	48.12	66.68	-18.56
423 · Telephone Expense	495.99	466.67	29.32	2,088.08	1,866.68	221.40
431 · Insurance Expense	1,333.34	1,333.34	0.00	5,333.36	5,333.36	0.00
441 · Legal Expense	0.00	1,250.00	-1,250.00	0.00	5,000.00	-5,000.00
442 · Accounting Expenses	600.00	300.00	300.00	1,200.00	1,200.00	0.00
443 · Auditing Expenses	0.00	400.00	-400.00	0.00	1,600.00	-1,600.00
444 · Collection Services	20.00	40.00	-20.00	40.00	160.00	-120.00
446 · Other Contracted Services	498.84	458.34	40.50	1,826.53	1,833.36	-6.83
451 · Postage	322.00	358.34	-36.34	1,323.41	1,433.36	-109.95
461 · Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 · Misc & Public Relations	0.00	16.67	-16.67	0.00	66.68	-66.68
483 · Office Supplies	574.71	400.00	174.71	2,351.39	1,600.00	751.39
484 · Mileage	54.30	22.00	32.30	160.24	88.00	72.24

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
 October 2013

	<u>Oct 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Oct 13</u>	<u>YTD Budget</u>	<u>Variance</u>
485 · Bank Charges	2.00	0.00	2.00	4.00	0.00	4.00
486 · Dues & Subscriptions	35.18	200.00	-164.82	280.42	800.00	-519.58
Total 400 · Overhead Costs	<u>31,470.56</u>	<u>31,488.73</u>	<u>-18.17</u>	<u>129,659.38</u>	<u>128,900.44</u>	<u>758.94</u>
Total Expense	<u>31,470.56</u>	<u>31,488.73</u>	<u>-18.17</u>	<u>129,659.38</u>	<u>128,900.44</u>	<u>758.94</u>
Net Ordinary Income	7,392.94	-209.92	7,602.86	15,709.35	1,641.18	14,068.17
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	8,280.00	8,280.00	0.00
511 · Interest Income	58.39	125.00	-66.61	230.47	500.00	-269.53
Total Other Income	<u>2,128.39</u>	<u>2,195.00</u>	<u>-66.61</u>	<u>8,510.47</u>	<u>8,780.00</u>	<u>-269.53</u>
Net Other Income	<u>2,128.39</u>	<u>2,195.00</u>	<u>-66.61</u>	<u>8,510.47</u>	<u>8,780.00</u>	<u>-269.53</u>
Net Income	<u><u>9,521.33</u></u>	<u><u>1,985.08</u></u>	<u><u>7,536.25</u></u>	<u><u>24,219.82</u></u>	<u><u>10,421.18</u></u>	<u><u>13,798.64</u></u>

Sunburst Farms Irrigation District
A/R Aging Summary
As of October 31, 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	45,807.96	-724.80	7,335.59	3,902.49	65,402.34	121,723.58
Total A/R 2012	<u>51,761.01</u>	<u>-1,171.32</u>	<u>10,989.15</u>	<u>3,370.11</u>	<u>80,395.54</u>	<u>145,344.49</u>
Variance- Better/(Worse)	<u>5,953.05</u>	<u>-446.52</u>	<u>3,653.56</u>	<u>-532.38</u>	<u>14,993.20</u>	<u>23,620.91</u>