

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

October 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 September 30, 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

Sunburst Farms Irrigation District
Balance Sheet
 As of September 30, 2015

	Sep 30, 15	Sep 30, 14
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	47,002.68	41,752.98
118 · First Bank	122,570.13	0.00
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	238,305.17	205,345.35
116 · Cash-MM	0.00	106,580.88
Total Checking/Savings	407,977.98	353,779.21
Accounts Receivable		
121 · Accounts Receivable	120,032.86	96,031.85
Total Accounts Receivable	120,032.86	96,031.85
Other Current Assets		
140 · Prepaid Insurance	2,920.33	4,146.27
198 · Suspense New Office Building	43,672.17	0.00
Total Other Current Assets	46,592.50	4,146.27
Total Current Assets	574,603.34	453,957.33
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	1,987,994.23	1,913,799.03
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	93,435.46
1243 · 43rd Ave Pump-2013	76,082.36	76,082.36
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	2,314,698.97	2,240,503.77
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,321,673.83	-1,202,942.89
Total 1300 · Accumulated Depreciation	-1,321,673.83	-1,202,942.89
Total Fixed Assets	993,025.14	1,037,560.88
Other Assets		
120 · Refundable Deposits	1,169.00	1,169.00
Total Other Assets	1,169.00	1,169.00
TOTAL ASSETS	1,568,797.48	1,492,687.21
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	483.40	483.40
Total Accounts Payable	483.40	483.40
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	-28.70	-0.37
201 · Payroll Liabilities - Other	190.34	135.72
Total 201 · Payroll Liabilities	161.64	135.35
203 · Accrued Power/Water		
2031 · Accrued Power	10,286.67	2,939.27
2032 · Accrued Water	2,389.65	1,707.00
Total 203 · Accrued Power/Water	12,676.32	4,646.27

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of September 30, 2015

	<u>Sep 30, 15</u>	<u>Sep 30, 14</u>
204 · Other Accrued Expenses	4,376.48	4,376.48
205 · Accrued Vacation	3,321.92	3,321.92
Total Other Current Liabilities	<u>20,536.36</u>	<u>12,480.02</u>
Total Current Liabilities	<u>21,019.76</u>	<u>12,963.42</u>
Total Liabilities	21,019.76	12,963.42
Equity		
209 · Retained Earnings	1,495,459.57	1,478,573.77
Net Income	52,318.15	1,150.02
Total Equity	<u>1,547,777.72</u>	<u>1,479,723.79</u>
TOTAL LIABILITIES & EQUITY	<u>1,568,797.48</u>	<u>1,492,687.21</u>

Sunburst Farms Irrigation District
A/R Aging Summary
As of September 30, 2015

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2015	57,855.42	3,567.52	-1,411.70	6,414.28	53,607.34	120,032.86
Total A/R 2014	25,692.99	7,130.16	-379.34	1,816.76	61,771.28	96,031.85
Variance- Better/(Worse)	-32,162.43	3,562.64	1,032.36	-4,597.52	8,163.94	-24,001.01

Sunburst Farms Irrigation District

Revenue Expense Budget Performance

September 2015

Ordinary Income/Expense	Sep 15	Budget	Variance	Jul - Sep 15	YTD Budget	Variance
Income						
211 · Water Fees	37,747.83	18,798.00	18,949.83	107,404.06	76,638.00	30,766.06
212 · Member Fees	39,040.20	39,040.75	-0.55	117,120.60	117,122.25	-1.65
213 · Other Services	0.00	40.00	-40.00	60.00	120.00	-60.00
214 · Escrow Transfer Fees	0.00	300.00	-300.00	685.54	900.00	-214.46
215 · Finance Charges	793.69	750.00	43.69	2,110.88	2,250.00	-139.12
Total Income	<u>77,581.72</u>	<u>58,928.75</u>	<u>18,652.97</u>	<u>227,381.08</u>	<u>197,030.25</u>	<u>30,350.83</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	19,059.22	11,973.84	7,085.38	59,200.43	48,815.44	10,384.99
331 · State Water Fees	500.00	500.00	0.00	1,500.00	1,500.00	0.00
351 · Pump Supply "Oil"	0.00	266.66	-266.66	0.00	800.06	-800.06
352 · Transportation Gas/Oil	774.81	754.00	20.81	2,512.04	3,074.00	-561.96
361 · Irrigation Labor	5,698.68	4,466.00	1,232.68	18,497.92	18,146.00	351.92
371 · Payroll Taxes & Fringe	439.09	396.50	42.59	1,418.52	1,621.45	-202.93
372 · Irrigators-Health Insurance	764.67	691.66	73.01	2,312.28	2,075.06	237.22
Total 310 · Direct Costs of Water Delivery	<u>27,236.47</u>	<u>19,048.66</u>	<u>8,187.81</u>	<u>85,441.19</u>	<u>76,032.01</u>	<u>9,409.18</u>
Total COGS	<u>27,236.47</u>	<u>19,048.66</u>	<u>8,187.81</u>	<u>85,441.19</u>	<u>76,032.01</u>	<u>9,409.18</u>
Gross Profit	50,345.25	39,880.09	10,465.16	141,939.89	120,998.24	20,941.65
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,181.76	3,177.36	4.40	10,309.35	10,326.40	-17.05
363 · Admin Payroll Expense	3,118.88	3,109.40	9.48	10,105.70	10,105.60	0.10
364 · Payroll Taxes/Fringe-Admin	497.28	520.52	-23.24	1,611.40	1,691.80	-80.40
365 · MNGR Gas Transportation	66.42	112.50	-46.08	378.00	337.50	40.50
366 · Health Insurance "Salary"	764.94	693.16	71.78	2,299.63	2,079.56	220.07
375 · State Compensation Fund	1,077.77	500.00	577.77	1,077.77	1,500.00	-422.23

Sunburst Farms Irrigation District
Revenue Expense Budget Performance
September 2015

	<u>Sep 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Sep 15</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	9,830.00	9,830.00	0.00	29,490.00	29,490.00	0.00
414 · Building & Equipment Repair	0.00	41.66	-41.66	0.00	125.06	-125.06
416 · Pumps-Maintenance	805.45			805.45	700.00	105.45
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	3,972.23	4,150.96	-178.73	14,124.86	13,490.40	634.46
417.2 · Materials	776.87	1,666.66	-889.79	2,582.38	5,000.06	-2,417.68
417.3 · Outside Service	409.15	1,250.00	-840.85	409.15	3,750.00	-3,340.85
417.4 · MT Payroll Taxes	308.84	362.28	-53.44	1,112.20	1,177.20	-65.00
417.5 · MT Health Insurance	398.77	720.00	-321.23	1,202.23	2,160.00	-957.77
Total 417 · Maint/Repairs-Water System	5,865.86	8,149.90	-2,284.04	19,430.82	25,577.66	-6,146.84
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	119.47	833.33	-713.86	897.07	2,500.03	-1,602.96
419.2 · Tractor	0.00	125.00	-125.00	0.00	375.00	-375.00
Total 419 · Repairs-Transportation	119.47	958.33	-838.86	897.07	2,875.03	-1,977.96
420 · MNT Gas Transportation	167.83	300.00	-132.17	436.68	900.00	-463.32
421 · Electricity	326.19	250.00	76.19	1,071.83	750.00	321.83
422 · Sewer & Water	13.06	16.67	-3.61	39.18	49.97	-10.79
423 · Telephone Expense	294.57	383.33	-88.76	994.87	1,150.03	-155.16
431 · Insurance Expense	1,500.00	1,500.00	0.00	4,600.00	4,500.00	100.00
441 · Legal Expense	0.00	833.34	-833.34	0.00	2,499.94	-2,499.94
442 · Accounting Expenses	0.00	400.00	-400.00	800.00	1,200.00	-400.00
443 · Auditing Expenses	0.00	416.67	-416.67	0.00	1,249.97	-1,249.97
444 · Collection Services	20.00	40.00	-20.00	70.00	120.00	-50.00
445 · Rent	0.00	985.20	-985.20	1,641.60	2,955.60	-1,314.00
446 · Other Contracted Services	137.11	458.34	-321.23	552.79	1,374.94	-822.15
451 · Postage	343.00	375.00	-32.00	1,049.22	1,125.00	-75.78
471 · Misc & Public Relations	0.00	16.67	-16.67	0.00	49.97	-49.97
483 · Office Supplies	359.83	416.67	-56.84	1,905.20	1,249.97	655.23
484 · Mileage	122.60	66.67	55.93	170.83	199.97	-29.14
485 · Bank Charges	0.00	5.00	-5.00	-74.45	15.00	-89.45

Sunburst Farms Irrigation District
Revenue Expense Budget Performance
September 2015

	Sep 15	Budget	Variance	Jul - Sep 15	YTD Budget	Variance
486 · Dues & Subscriptions	0.00	125.00	-125.00	529.16	375.00	154.16
Total 400 · Overhead Costs	28,612.02	33,681.39	-5,069.37	90,192.10	104,573.97	-14,381.87
Total Expense	28,612.02	33,681.39	-5,069.37	90,192.10	104,573.97	-14,381.87
Net Ordinary Income	21,733.23	6,198.70	15,534.53	51,747.79	16,424.27	35,323.52
Other Income/Expense						
Other Income						
510 · Misc/Other Income	38.25	250.00	-211.75	349.50	750.00	-400.50
511 · Interest Income	78.82	41.67	37.15	220.86	124.97	95.89
Total Other Income	117.07	291.67	-174.60	570.36	874.97	-304.61
Net Other Income	117.07	291.67	-174.60	570.36	874.97	-304.61
Net Income	21,850.30	6,490.37	15,359.93	52,318.15	17,299.24	35,018.91