

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

**WS-04235A**  
**Utility Source LLC**  
20525 E Chandler Heights Road  
Queen Creek AZ 85142-9500

RECEIVED

APR 16 2013

AZ CORP COMM  
Director - Utilities

**ANNUAL REPORT**  
**Water – Sewer**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2012</b>
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FOR COMMISSION USE

<b>ANN 04-05</b>	<b>12</b>
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4-22-13

## COMPANY INFORMATION

**Company Name (Business Name)** UTILITY SOURCE, LLC

**Mailing Address** 20525 E CHANDLER HEIGHTS ROAD

QUEEN CREEK AZ 85142-9500  
(Street) (City) (State) (Zip)

480-892-8756 480-987-2552  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Office Mailing Address** SAA

(Street)  
(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Regulatory Contact:**

**Management Contact:** JEREMY MCCALED  
(Name) (Title)

PO BOX 16198 BELLEMONT AZ 86015  
(Street) (City) (State) (Zip)

928-699-2226 928-213-9529  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** JEREMY MCCALED  
(Name)

PO BOX 16198 BELLEMONT AZ 86015  
(Street) (City) (State) (Zip)

928-699-2226 928-213-9529  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** KENT MCKINLEY  
 (Name)

1019 S STAPLEY DRIVE                      MESA                      AZ                      85204  
 (Street)                      (City)                      (State)                      (Zip)

480-898-9239                      480-833-2175  
 Telephone No. (Include Area Code)                      Fax No. (Include Area Code)                      Cell No. (Include Area Code)

**Attorney:** SAA  
 (Name)

\_\_\_\_\_  
 (Street)                      (City)                      (State)                      (Zip)

\_\_\_\_\_  
 Telephone No. (Include Area Code)                      Fax No. (Include Area Code)                      Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

Sole Proprietor (S)                       C Corporation (C) (Other than Association/Co-op)

Partnership (P)                       Subchapter S Corporation (Z)

Bankruptcy (B)                       Association/Co-op (A)

Receivership (R)                       Limited Liability Company

Other (Describe) \_\_\_\_\_

**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

APACHE                       COCHISE                       COCONINO

GILA                       GRAHAM                       GREENLEE

LA PAZ                       MARICOPA                       MOHAVE

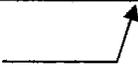
NAVAJO                       PIMA                       PINAL

SANTA CRUZ                       YAVAPAI                       YUMA

STATEWIDE

**WATER UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	210,000.00	0	210,000.00
304	Structures and Improvements	81,747.67	21,821.00	59,926.67
307	Wells and Springs	2,831,962.42	687,214.00	2,144,748.42
311	Pumping Equipment	89,125.00 158,711.00	37,582.00 158,711.00	51,543.00 0.00
320	Water Treatment Equipment	5,487.00	1,560.00	3,927.00
330	Distribution Reservoirs and Standpipes	321,452.00	60,656.00	260,796.00
331	Transmission and Distribution Mains	161,632.00	25,602.00	136,030.00
333	Services	86,250.00	24,412.00	61,838.00
334	Meters and Meter Installations			
335	Hydrants	34,500.00	5,865.00	28,635.00
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,671.55	992.00	3,679.55
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>3,985,538.64</b>	<b>1,024,415.00</b>	<b>2,961,123.64</b>

This amount goes on the Balance Sheet Acct. No. 108 

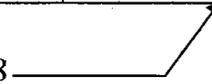
**WATER CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	210,000.00		0
304	Structures and Improvements	81,747.67	3.33%	2,698
307	Wells and Springs	2,831,962.42	3.33%	94,304
311	Pumping Equipment	89,125.00 158,711.00	5% 12.5%	4,456 9,919
320	Water Treatment Equipment	5,487.00	3.33%	183
330	Distribution Reservoirs and Standpipes	321,452.00	2.22%	7,136
331	Transmission and Distribution Mains	161,632.00	2%	3,233
333	Services	86,250.00	3.33%	2,872
334	Meters and Meter Installations			
335	Hydrants	34,500.00	2%	690
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,671.55	6.67%	312
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>3,985,538.64</b>		<b>125,803</b>

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

**SEWER UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights	105,000.00	0	105,000.00
354	Structures and Improvements	56,350.00	15,950.00	40,400.00
355	Power Generation Equipment	2,879.00	1,224.00	1,655.00
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	260,553.00	44,294.00	216,259.00
362	Special Collecting Structures			
363	Services to Customers	60,375.00	10,265.00	50,110.00
364	Flow Measuring Devices			
365	Flow Measuring Installations	3,450.00	2,933.00	517.00
370	Receiving Wells			
380	Treatment and Disposal Equip.	903,992.00	381,834.00	522,158.00
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment	4,671.56	992.00	3,679.56
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	<b>TOTALS</b>	<b>1,397,270.56</b>	<b>457,492.00</b>	<b>939,778.56</b>

This amount goes on the Balance Sheet Acct. No. 108 

**SEWER CALCULATION OF DEPRECIATION EXPENSE**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights	105,000.00		0
354	Structures and Improvements	56,350.00	3.33%	1,876
355	Power Generation Equipment	2,879.00	5%	144
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	260,553.00	2%	5,211
362	Special Collecting Structures			
363	Services to Customers	60,375.00	2%	1,208
364	Flow Measuring Devices			
365	Flow Measuring Installations	3,450.00	10%	345
370	Receiving Wells			
380	Treatment and Disposal Equip.	903,992.00	5%	45,200
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment	4,671.56	6.67%	312
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	<b>TOTALS</b>	<b>1,397,270.56</b>		<b>54,296</b>

This amount goes on the Comparative Statement of Income and Expense Acct. 403

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 500.67	\$ 4,934.12
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	53,990.00	64,374.50
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		319.00
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 54,490.67	\$ 69,627.62
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 5,378,570.30	\$ 5,382,809.20
103	Property Held for Future Use		
105	Construction Work in Progress	70,120.25	74,120.25
108	Accumulated Depreciation – Utility Plant	(1,301,808.00)	(1,481,907.00)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 4,146,882.55	\$ 3,975,022.45
	<b>TOTAL ASSETS</b>	<b>\$ 4,201,373.22</b>	<b>\$ 4,044,650.07</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 13,253.10	\$ 14,662.21
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	12,327.54	0.00
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 25,580.64	\$ 14,662.21
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	492,718.00	492,718.00
272	Less: Amortization of Contributions	(143,160.00)	(162,248.00)
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 349,558.00	\$ 330,470.00
	<b>TOTAL LIABILITIES</b>	\$ 375,138.64	\$ 345,132.21
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(366,682.17)	(499,398.89)
218	Proprietary Capital (Sole Props and Partnerships)	4,192,916.75	4,198,916.75
	<b>TOTAL CAPITAL</b>	\$ 3,826,234.58	\$ 3,699,517.86
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 4,201,373.22</b>	<b>\$ 4,044,650.07</b>

**WATER COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 122,894.76	\$ 123,216.70
460	Unmetered Water Revenue	79,084.34	79,198.50
474	Other Water Revenues	10,336.48	12,134.52
	<b>TOTAL REVENUES</b>	\$ 212,315.58	\$ 214,549.72
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	58,827.61	66,690.34
618	Chemicals	1,313.07	1,459.75
620	Repairs and Maintenance	60,935.15	12,256.69
621	Office Supplies and Expense	2,311.94	2,398.65
630	Outside Services	10,926.53	9,651.25
635	Water Testing	14,058.00	8,107.00
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	2,198.54	2,185.52
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	0.00	0.00
675	Miscellaneous Expense	38,658.28	40,229.14
403	Depreciation Expense	124,776.00	114,998.00
408	Taxes Other Than Income		
408.11	Property Taxes	12,107.60	6,711.28
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 321,112.72	\$ 264,687.62
	<b>OPERATING INCOME/(LOSS)</b>	\$ (108,797.14)	\$ (50,137.90)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ .34	\$ .12
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ .34	\$ .12
	<b>NET INCOME/(LOSS)</b>	\$ (108,796.80)	\$ (50,137.78)

**SEWER COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
521	Flat Rate Revenues	\$ 116,435.83	\$ 115,849.13
522	Measured Revenues		
536	Other Wastewater Revenues		
	<b>TOTAL REVENUES</b>	\$ 116,435.83	\$ 115,849.13
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$	\$
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	8,474.00	12,659.00
715	Purchased Power	27,931.26	26,173.83
716	Fuel for Power Production		
718	Chemicals	3,219.15	5,400.42
720	Materials and Supplies	3,665.81	5,448.95
731	Contractual Services – Professional	1,917.50	1,919.75
735	Contractual Services – Testing		5669.00
736	Contractual Services – Other	46,550.00	46,650.00
740	Rents		
750	Transportation Expense		
755	Insurance Expense	2,198.53	2,185.51
765	Regulatory Commission Expense		
775	Miscellaneous Expense	45,429.12	40,720.79
403	Depreciation Expense	45,871.00	46,013.00
408	Taxes Other Than Income		
408.11	Property Taxes	10,029.70	5,587.93
409	Income Taxes		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 195,286.07	\$ 198,428.18
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ .33	\$ .11
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/EXPENSE</b>	\$ .33	\$ .11
	<b>NET INCOME/(LOSS)</b>	\$ (78,849.91)	\$ (82,578.94)

COMPANY NAME

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

**COMPANY NAME** *UTILITY SOURCE, LLC*

**Name of System:** *Flagstaff Meadows Water System*

**ADEQ Public Water System Number:** *03300*

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-203241	125 HP	72 gpm	2,801'	10"	2"	2004
55-598834	50 HP	23 gpm	2,100'	8"	1"	2003
55-593267	10 HP	11 gpm	1,947'	8"	3/4"	2002
55-559096	2 HP	7 gpm	240'	6"	3/4"	1997
See attached for	Additional	Wells				

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
N/A		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
15 HP	2	34	
75 HP	1		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
442,000 gal	1	200 gal	1
258,000 gal	1		

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>ADWR ID Number</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-598623	2 hp	10 gpm	300'	6"		2004
55-564258	2 hp	12 gpm	300'	7"		1998
55-515324	1 hp	5 gpm	105'	8"	3/4	1987
55-503545	1hp	10 gpm	215'	7"	3/4	1982
55-206887	210 hp	280 gpm	2900'	10"	4	2005

**COMPANY NAME** *UTILITY SOURCE, LLC*

**Name of System:** *Flagstaff Meadows Water System*      **ADEQ Public Water System Number:** *03300*

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	C-900	900
8	C-900	14,563
10		
12	C-900	5,890

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	328
1	
1 1/2	
2	3
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

**For the following three items, list the utility owned assets in each category for each system.**

**TREATMENT EQUIPMENT:** Peristaltic pump for CL2 injection

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**STRUCTURES:** One pump house, 3 well houses & storage facility, 6' retaining wall around facility, 400' in length

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**OTHER:**

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***Note: If you are filing for more than one system, please provide separate sheets for each system.***

COMPANY NAME: *UTILITY SOURCE, LLC*

Name of System: *Flagstaff Meadows Water System*

ADEQ Public Water System Number: *03300*

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2011**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	393	1,472	1,669	
FEBRUARY	395	1,522	1,587	
MARCH	397	1,428	1,562	
APRIL	401	1,332	1,483	
MAY	398	1,311	1,478	
JUNE	400	2,019	2,005	
JULY	408	3,151	2,894	
AUGUST	413	1,680	1,759	
SEPTEMBER	413	1,706	1,795	
OCTOBER	414	1,501	1,684	
NOVEMBER	417	1,540	1,654	
DECEMBER	420	1,647	1,798	
<b>TOTALS →</b>		<b>20,309</b>	21,368	0

What is the level of arsenic for each well on your system? <.001 mg/l  
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
 Yes                       No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
 Yes                       No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
 Yes                       No

If yes, provide the GPCPD amount: \_\_\_\_\_

**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

**COMPANY NAME:** *UTILITY SOURCE, LLC*

**Name of System:** *Flagstaff Meadows Water System*

**ADEQ Public Water System Number:** *03300*

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-410.B</b>	<b>Termination with Notice R14-2-410.C</b>	<b>OTHER</b>
<b>JANUARY</b>		0	
<b>FEBRUARY</b>		1	
<b>MARCH</b>		2	
<b>APRIL</b>		5	
<b>MAY</b>		4	
<b>JUNE</b>		3	
<b>JULY</b>		3	
<b>AUGUST</b>		0	
<b>SEPTEMBER</b>		4	
<b>OCTOBER</b>		1	
<b>NOVEMBER</b>		0	
<b>DECEMBER</b>		2	
<b>TOTALS →</b>	<b>0</b>	<b>25</b>	<b>0</b>

OTHER (description):

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<b>COMPANY NAME</b> <i>UTILITY SOURCE, LLC</i>
<b>Name of System:</b> <i>Flagstaff Meadows Wastewater Treatment Plant</i> <b>Wastewater Inventory Number (if applicable):</b>

**WASTEWATER COMPANY PLANT DESCRIPTION**  
**TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended aeration, stepfeed system
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	37,500 gpd Plant #1 100,000 gpd Plant #2

**LIFT STATION FACILITIES**

<b>Location</b>	<b>Quantity of Pumps</b>	<b>Horsepower Per Pump</b>	<b>Capacity Per Pump (GPM)</b>	<b>Wet Well Capacity (gals)</b>
Pilot Travel Center	2	1.5 HP	50 gpm	1,500 gal
Flagstaff Meadows WWTP	2	3 HP	150gpm	8,000 gal

**FORCE MAINS**

<b>Size</b>	<b>Material</b>	<b>Length (Feet)</b>
4-inch	SDR-35	2,200'
6-inch		

**MANHOLES**

<b>Type</b>	<b>Quantity</b>
Standard	60
Drop	

**CLEANOUTS**

<b>Quantity</b>
1

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

**COMPANY NAME** *UTILITY SOURCE, LLC*

**Name of System:** *Flagstaff Meadows Wastewater Treatment Plant*      **Wastewater Inventory Number (if applicable):**

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**COLLECTION MAINS**

**SERVICES**

Size (in inches)	Material	Length (in feet)
4		
6		
8	SDR-35	16,224
10		
12	SDR-35	360
15		
18		
21		
24		
30		

Size (in inches)	Material	Quantity
4	SDR-35	327
6	SDR-35	3
8		
12		
15		

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY PER WASTEWATER SYSTEM**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	21,928 gal sludge holding tank-sludge hauled away 3,500 gal sludge holding tank-sludge hauled away
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	1 Peristaltic chemical pump
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Mixed media filter continuous backwash
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	700 sq ft building 2 – 12' wide rolling gates 6' cinder block fence; 376 in length
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME</b> <i>UTILITY SOURCE, LLC</i>
<b>Name of System:</b> <i>Flagstaff Meadows Wastewater Treatment Plant</i> <b>Wastewater Inventory Number (if applicable):</b>

**WASTEWATER FLOWS**

<b>MONTH/YEAR (Most Recent 12 Months)</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
<b>January</b>	393	1,649,968	65,402
<b>February</b>	395	1,500,037	60,700
<b>March</b>	397	1,944,054	89,701
<b>April</b>	401	1,801,817	68,104
<b>May</b>	398	1,681,730	61,965
<b>June</b>	400	1,597,263	68,450
<b>July</b>	408	2,006,708	80,588
<b>August</b>	413	2,131,347	80,568
<b>September</b>	413	1,942,012	80,568
<b>October</b>	414	1,576,746	63,183
<b>November</b>	417	1,436,085	57,054
<b>December</b>	420	1,653,040	60,551

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE  
PER WASTEWATER SYSTEM**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Surface Water Discharge
<b>Groundwater Permit Number</b>	N/A
<b>ADEQ Aquifer Protection Permit Number</b>	P104083
<b>ADEQ Reuse Permit Number</b>	R-104083
<b>EPA NPDES Permit Number</b>	AZ 0024708

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

**COMPANY NAME: UTILITY SOURCE, LLC**

**Name of System:** *Flagstaff Meadows Wastewater Treatment Plant*      **Wastewater Inventory Number (if applicable):**

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2- 609.B</b>	<b>Termination with Notice R14-2- 609.C</b>	<b>OTHER</b>
<b>JANUARY</b>		0	
<b>FEBRUARY</b>		1	
<b>MARCH</b>		2	
<b>APRIL</b>		5	
<b>MAY</b>		4	
<b>JUNE</b>		3	
<b>JULY</b>		3	
<b>AUGUST</b>		0	
<b>SEPTEMBER</b>		4	
<b>OCTOBER</b>		1	
<b>NOVEMBER</b>		0	
<b>DECEMBER</b>		2	
<b>TOTALS →</b>	<b>0</b>	<b>25</b>	<b>0</b>

OTHER (description):

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**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2011 was: \$ 12,299.21

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) COCONINO
NAME (OWNER OR OFFICIAL) TITLE LONNIE MCCLEVE MANAGING MEMBER
COMPANY NAME UTILITY SOURCE, LLC

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

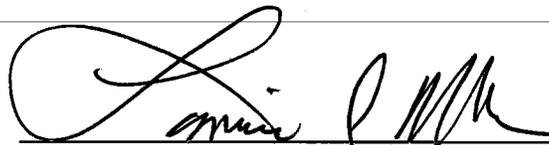
MONTH	DAY	YEAR
12	31	2012

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

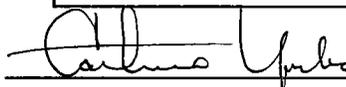
  
 \_\_\_\_\_  
 SIGNATURE OF OWNER OR OFFICIAL  
 480-892-8756  
 \_\_\_\_\_  
 TELEPHONE NUMBER

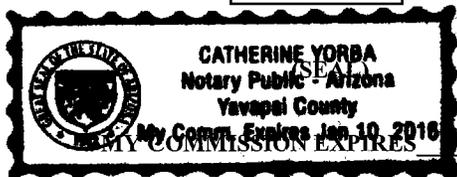
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11<sup>th</sup> DAY OF

COUNTY NAME	Yavapai	
MONTH	April	2013

  
 \_\_\_\_\_  
 SIGNATURE OF NOTARY PUBLIC



1-10-2016

COMPANY NAME UTILITY SOURCE, LLC YEAR ENDING 12/31/2011

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability \_\_\_\_\_

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability \_\_\_\_\_

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
\_\_\_\_\_  
SIGNATURE

4-15-13  
\_\_\_\_\_  
DATE

Lonnie McCleve  
\_\_\_\_\_  
PRINTED NAME

Managing Member  
\_\_\_\_\_  
TITLE

RECEIVED

APR 16 2013

AZ CORP COMM  
Director: Utilities

**VERIFICATION  
AND  
SWORN STATEMENT (SEWER)  
Intrastate Revenues Only**

**VERIFICATION**

STATE OF ARIZONA

I, **THE UNDERSIGNED**

OF THE

COUNTY OF (COUNTY NAME) COCONINO
NAME (OWNER OR OFFICIAL) TITLE LONNIE MCCLEVE MANAGING MEMBER
COMPANY NAME UTILITY SOURCE, LLC

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2012

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2012 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>115,849.13</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ -0-  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

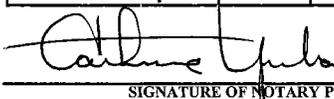
  
 \_\_\_\_\_  
 SIGNATURE OF OWNER OR OFFICIAL  
480-892-8256  
 \_\_\_\_\_  
 TELEPHONE NUMBER

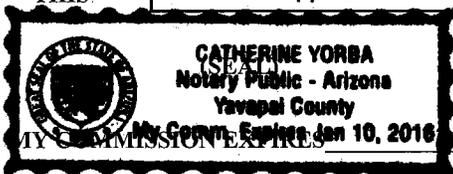
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11<sup>th</sup> DAY OF

COUNTY NAME <u>Yavapai</u>
MONTH <u>April</u> .20 <u>13</u>

  
 \_\_\_\_\_  
 SIGNATURE OF NOTARY PUBLIC



1-10-2016

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE (SEWER)  
Intrastate Revenues Only**

**RECEIVED**

APR 16 2013

AZ CORP COMM  
Director - Utilities

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) COCONINO	
NAME (OWNER OR OFFICIAL) LONNIE MCCLEVE	TITLE MANAGING MEMBER
COMPANY NAME UTILITY SOURCE, LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2012 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>93,521.11</u>

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ -0-  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL  
480-892-8756  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

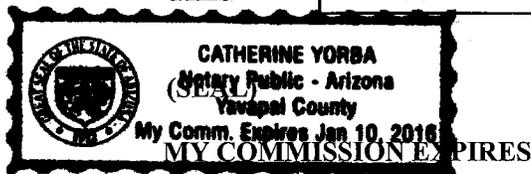
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

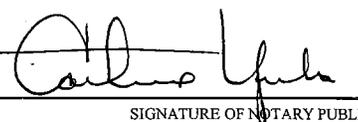
THIS

<u>11<sup>th</sup></u>
------------------------

DAY OF

NOTARY PUBLIC NAME Catherine Yorba	
COUNTY NAME Yavapai	
MONTH April	20 <u>13</u>



1-10-2016   
SIGNATURE OF NOTARY PUBLIC

RECEIVED

VERIFICATION AND SWORN STATEMENT (WATER) Intradate Revenues Only

APR 16 2013

AZ CORP COMMISSION Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

Form with fields: COUNTY OF (COUNTY NAME) COCONINO, NAME (OWNER OR OFFICIAL) TITLE LONNIE MCCLEVE MANAGING MEMBER, COMPANY NAME UTILITY SOURCE, LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

Table with columns: MONTH 12, DAY 31, YEAR 2012

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2012 WAS:

Arizona Intradate Gross Operating Revenues Only (\$) \$ 230,274.89

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 15,725.17 IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

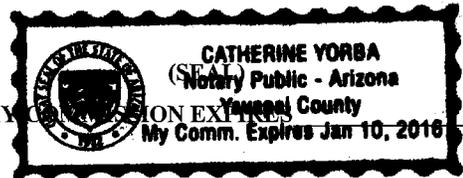
Signature of Lonnie McCleve, MANAGING MEMBER, TELEPHONE NUMBER 480-892-8756

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th DAY OF

Form with fields: COUNTY NAME YAVAPAI, MONTH April, 2013



Signature of Catherine Yorba, NOTARY PUBLIC

1-10-2016

RECEIVED

APR 16 2013

AZ CORP COMM  
Director Utilities

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE (WATER)  
INTRASTATE REVENUES ONLY**

VERIFICATION  
STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) COCONINO	
NAME (OWNER OR OFFICIAL) LONNIE MCCLEVE	TITLE MANAGING MEMBER
COMPANY NAME UTILITY SOURCE, LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2012 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>183,378.68</u>
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(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 12,362.26  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

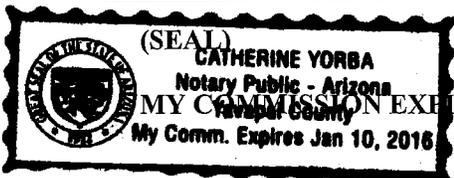
*Lonnie McCleve*  
SIGNATURE OF OWNER OR OFFICIAL

480-892-8756  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th DAY OF

NOTARY PUBLIC NAME	Catherine Yorba
COUNTY NAME	YAVAPAI
MONTH	April, 20 <u>13</u>



*Catherine Yorba*  
SIGNATURE OF NOTARY PUBLIC

1-10-2016