

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED

OCT 15 2014

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY
AZ CORP COMM Director - Utilities

Lyn - Lee Water Co
PO Box 581
Nogales, AZ 85628

W-0185AA

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
----	----	------

FOR COMMISSION USE

ANN 04	13
--------	----

10-15-14

COMPANY INFORMATION

Company Name (Business Name) <u>Lyn-Lee Water Co</u>		
Mailing Address <u>PO Box 581</u>		
<u>Nogales</u> (City)	<u>AZ</u> (State)	<u>85628</u> (Zip)
<u>520-980-6149</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>Same</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>Carol Gonzalez</u> <u>Pres</u>			
 (Street)	 (City)	 (State)	 (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: _____			
 (Street)	 (City)	 (State)	 (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: _____
 _____ (Name)
 _____ (Street) _____ (City) _____ (State) _____ (Zip)
 Telephone No. (Include Area Code) _____ Fax No. (Include Area Code) _____ Cell No. (Include Area Code) _____

Attorney: _____
 _____ (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:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) | |

COUNTIES SERVED

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

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Lyn-Lee Water Co

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	6,766	6,766	0
311	Pumping Equipment	35,251	35,251	0
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	5,910	5,910	0
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	10,634	7,794	2,840
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	1,400	1,400	0
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	2,000	2,000	0
348	Other Tangible Plant			
	TOTALS	61,961	59,121	2,840

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

COMPANY NAME

Lyn-Lee Water Co

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			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	4,796	4.46%	214
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,000	16.75%	670
340.1	Computers & Software			
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			
	TOTALS	8,796	10.05%	884

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

COMPANY NAME

Lyn-Lee Water Co

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1,695	\$ (49)
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$
	FIXED ASSETS		
101	Utility Plant in Service	\$ 61,961	\$ 61,961
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	58,237	59,121
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 3,724	\$ 2,840
	TOTAL ASSETS	\$ 5,419	\$ 2,791

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

COMPANY NAME

Lyn-Lee Water Co

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,665	1,667
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1,665	\$ 1,667
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 19,253	\$ 17,753
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 20,918	\$ 19,420
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 16,000	\$ 16,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(31,499)	(32,629)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (15,499)	\$ (16,629)
	TOTAL LIABILITIES AND CAPITAL	\$ 5,419	\$ 2,791

COMPANY NAME

Lyn-Lee Water Co

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 25,207	\$ 25,163
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 25,207	\$ 25,163
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	3,214	4,078
618	Chemicals		
620	Repairs and Maintenance	6,240	1,499
621	Office Supplies and Expense	885	1,975
630	Outside Services	8,400	13,173
635	Water Testing	2,420	200
641	Rents		
650	Transportation Expenses	531	554
657	Insurance - General Liability	781	812
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	700	750
403	Depreciation Expense	1,170	884
408	Taxes Other Than Income	1,672	1,621
408.11	Property Taxes	1,392	745
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 27,405	\$ 26,291
	OPERATING INCOME/(LOSS)	\$ (2,198)	\$ (1,128)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ (2,198)	\$ (1,128)

COMPANY NAME

Lyn-lee Water Co

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1 ←	→ LOAN #2	LOAN #3	LOAN #4
Date Issued	2012	2013		
Source of Loan	Shareholder	Shareholder		
ACC Decision No.				
Reason for Loan	Operating Loan	Operating Loan		
Dollar Amount Issued	\$ 1,500	\$ —	\$	\$
Amount Outstanding	\$ 19,253	\$ 17,753	\$	\$
Date of Maturity	n/a	n/a		
Interest Rate	— %	— %	%	%
Current Year Interest	\$ —	\$ —	\$	\$
Current Year Principle	\$ —	\$ 1,500	\$	\$

Meter Deposit Balance at Test Year End

\$ 1,667

Meter Deposits Refunded During the Test Year

\$ —

COMPANY NAME	Lyn-Lee Water Co		
Name of System:	ADEQ Public Water System Number:		

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
10-007	5 hp	60#	400	8		1989

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
n/a			

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
n/a		5,000	

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

COMPANY NAME

Lyn-Lee Water Co

Name of System:

ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
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:

STRUCTURES:

OTHER:

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

COMPANY NAME:	Lyn-Lee Water Co
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY				
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
TOTALS →				

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

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ 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:	<i>Lyn-Lee Water Co</i>
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

COMPANY NAME Lyn-Lee Water Co YEAR ENDING 12/31/2013

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 744.50

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**

RECEIVED

OCT 15 2014

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Pinal
NAME (OWNER OR OFFICIAL) TITLE	Carol Gonzalez owner
COMPANY NAME	Lyn Lee Water Co.

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	2013

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.

Carol Gonzalez

SIGNATURE OF OWNER OR OFFICIAL
520 405 0876

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF
REBECCA MARIE-SCHAFFER
Notary Public - Arizona
MARICOPA COUNTY
My Commission Expires
May 27, 2016
MY COMMISSION EXPIRES

COUNTY NAME	Maricopa Az
MONTH	October .2014

[Signature]

SIGNATURE OF NOTARY PUBLIC

27 2016

COMPANY NAME Lyn-Lee Water Co YEAR ENDING 12/31/2013

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported (1,128)
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported (1,128)
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

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.

Carol Gonzalez 10/7/14
SIGNATURE DATE

Carol Gonzalez owner
PRINTED NAME TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

OCT 15 2014

**AZ CORP COMM
Director - Utilities**

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<i>Pinal</i>
NAME (OWNER OR OFFICIAL) TITLE	<i>Carol Gonzalez owner</i>
COMPANY NAME	<i>Lyn Lee Water Co.</i>

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>25,162.67</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ _____ 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)

Carol Gonzalez

 SIGNATURE OF OWNER OR OFFICIAL
 520 450876

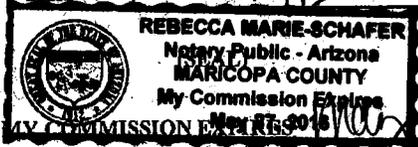
 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF _____

THIS _____ DAY OF _____

COUNTY NAME	<i>Maricopa Az</i>
MONTH	<i>October</i> .20 <i>14</i>



[Signature]

 SIGNATURE OF NOTARY PUBLIC

May 27, 2016

RECEIVED

OCT 15 2014

AZ CORP COMM
Director - Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Pinal</u>	
NAME (OWNER OR OFFICIAL) <u>Carol Gonzalez</u>	TITLE <u>owner</u>
COMPANY NAME <u>Lyn Lee Water Co.</u>	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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 2013 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>25,162.67</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1,620.54
IN SALES TAXES BILLED, OR COLLECTED)

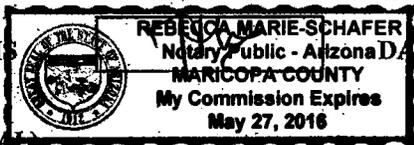
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Carol Gonzalez
SIGNATURE OF OWNER OR OFFICIAL
520 405 0876
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS REBECCA MARIE SCHAFFER DAY OF



(SEAL)

MY COMMISSION EXPIRES

May 27, 2016

NOTARY PUBLIC NAME <u>Rebecca Schaffer</u>	
COUNTY NAME <u>Maricopa Az</u>	
MONTH <u>October</u>	YEAR <u>2014</u>

[Signature]
SIGNATURE OF NOTARY PUBLIC