

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01275A

Berneil Water Company
PO Box 219
Tempe, AZ 85280-0219

RECEIVED

JUN 04 2015

ACC UTILITIES DIRECTOR

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2014
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FOR COMMISSION USE

ANN 04	14
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6-5-15

COMPANY INFORMATION

Company Name (Business Name) Berneil Water Company

Mailing Address PO Box 219
(Street)

Tempe Az 85280
(City) (State) (Zip)

480-966-5804 480-967-7857
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address Support@arizonawaterworks.com

Local Office Mailing Address PO Box 219
(Street)

Tempe Az 85280
(City) (State) (Zip)

480-966-5804 480-967-7857
Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)

Email Address Support@arizonawaterworks.com Website address _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: None
(Name) (Title)

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

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

Email Address _____

On Site Manager: Don Ross
(Name)

PO Box 219 Tempe Az 85280
(Street) (City) (State) (Zip)

928-713-1959 480-967-7857
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Neil Folkmen
 (Name)

2501 E Palo Verde Phoenix Az 85016
 (Street) (City) (State) (Zip)

480-966-5804 480-967-7857
 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 checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input 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 checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input 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

Berneil Water Company

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	400	0	400
304	Structures and Improvements	35,532	35,532	0
307	Wells and Springs	272,978	272,978	0
311	Pumping Equipment	451,887	112,970	338917
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	225,446	225446	0
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	953,848	953848	0
333	Services			
334	Meters and Meter Installations	213,444	137,904	75,540
335	Hydrants	78,017	44,097	33,920
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	69,166	69,166	0
340	Office Furniture and Equipment	xxxxxxx		
340.1	Computers & Software			
341	Transportation Equipment	37,599	37,599	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	xxxxxxx		
348	Other Tangible Plant			
	TOTALS	2,338,317	1,889,540	448,777

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

COMPANY NAME

Berneil Water Company

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization			
302	Franchises			
303	Land and Land Rights	400		0
304	Structures and Improvements	35,532		0
307	Wells and Springs	272,978		0
311	Pumping Equipment	451,887	12.50	56485
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	225,446		0
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	953,848		0
333	Services			
334	Meters and Meter Installations	213,444	8.33	17,780
335	Hydrants	78,017	3.33	2,597
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	69,166		0
340	Office Furniture and Equipment	xxxxxxx		0
340.1	Computers & Software			
341	Transportation Equipment	37,599	20.00	6099
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	xxxxxxx		0
348	Other Tangible Plant			
	SUBTOTAL			
	LESS CIAC Amortization			
	TOTALS *	2,338,317		82,961

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

COMPANY NAME Berneil Water Company

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
CURRENT AND ACCRUED ASSETS			
131	Cash	\$ 16,597	\$38,642
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies	213,900	281,488
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$230,497	\$320,130
FIXED ASSETS			
101	Utility Plant in Service	\$2,297,808	\$2,300,352
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(1,886,042)	(1,889,540)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$411,766	\$410,812
	TOTAL ASSETS	\$642,263	\$730,942

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

COMPANY NAME

Berneil Water Company

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ (404)	\$ (7,510)
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	5,823	5,000
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$5,823	\$5,000
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$38,187	\$38,187
	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	84,110	76,460
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$25,000	\$25,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	489,547	593,805
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$514,547	\$618,805
	TOTAL LIABILITIES AND CAPITAL	\$642,263	\$730,942

COMPANY NAME

Berneil Water Company

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$687,561	\$680,931
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$687,561	\$680,931
	OPERATING EXPENSES		
601	Salaries and Wages	\$262,119	\$149,052
610	Purchased Water	75,472	65,403
615	Purchased Power	95,008	97,542
618	Chemicals		
620	Repairs and Maintenance	43,214	44,845
621	Office Supplies and Expense	10,658	15,399
630	Outside Services	30,488	38,412
635	Water Testing	8,129	8,257
641	Rents	59,666	57,721
650	Transportation Expenses	7,983	7,369
657	Insurance – General Liability	5,435	5,415
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	12,828	13,977
403	Depreciation Expense	97,828	82,961
408	Taxes Other Than Income	59,868	57,351
408.11	Property Taxes	10,080	20,030
409	Income Tax	45	50
	TOTAL OPERATING EXPENSES	\$778,821	\$663,784
	OPERATING INCOME/(LOSS)	\$(91,260)	\$17,147
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		7,650
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	2,340	
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$7,650
	NET INCOME/(LOSS)	\$(88,920)	\$24,797

COMPANY NAME	BERNEIL WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1989			
Source of Loan	PV			
ACC Decision No.				
Reason for Loan	WATER MAIN			
Dollar Amount Issued	\$86,137	\$	\$	\$
Amount Outstanding	\$33,748	\$	\$	\$
Date of Maturity	8/31/19			
Interest Rate	6%	%	%	%
Current Year Interest	\$0	\$	\$	\$
Current Year Principle	\$0	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 0
Meter Deposits Refunded During the Test Year	\$5,000

COMPANY NAME BERNEIL WATER COMPANY	
Name of System: 04-07-008	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-609543	100	400	980	12	4	1955
55-627600	350	1400	1285	18	8	1969
55-551370	300	600	1186	14	6	1987

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
PURCHASE CAMELBACK GOLF CLUB	1800	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
40	3	94	
30	1		
20	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	2	5,000	3
135,000	1		

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

COMPANY NAME	BERNEIL WATER COMPANY
Name of System:	ADEQ Public Water System Number: 04-07-008

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	630
5		
6	PVC	53,210
8	PVC	4,150
10		
12		
4	AC	3,650
6	AC	28,290
6	DI	6,280

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	467
1 1/2	21
2	
Comp. 3	
Turbo 3	
Comp. 4	3
Turbo 4	
Comp. 6	
Turbo 6	2
TURBO 8	1

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

TREATMENT EQUIPMENT:

Gas Chlorinators

STRUCTURES:

Block Fences

OTHER:

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

COMPANY NAME:	BERNEIL WATER COMPANY
Name of System:	ADEQ Public Water System Number: 04-07-008

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	534	21,754	22,400	
FEBRUARY	534	20,415	21,565	
MARCH	535	20,910	21,160	
APRIL	534	36,799	38,213	
MAY	535	39,242	41,060	
JUNE	535	45,921	46,233	
JULY	535	58,786	60,022	
AUGUST	533	44,343	45,608	
SEPTEMBER	535	41,922	42,464	
OCTOBER	535	33,420	37,684	
NOVEMBER	535	33,729	37,757	
DECEMBER	535	24,660	25,860	
TOTALS →		421,901	440,026	

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

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: 525

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

COMPANY NAME:	BERNEIL WATER COMPANY
Name of System:	ADEQ Public Water System Number: 04-07-008

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 →	0	APPROX 15	

OTHER (description):

We Do Not Keep These Records

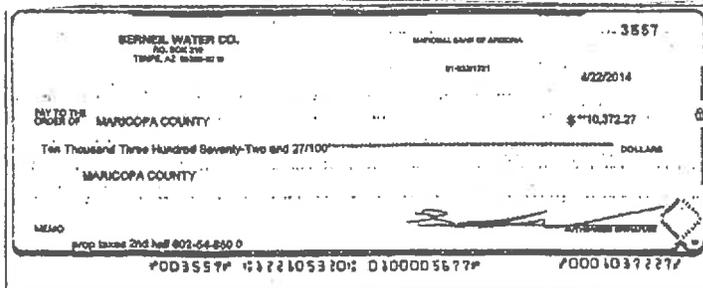
COMPANY NAME Berneil Water Company YEAR ENDING 12/31/2014

PROPERTY TAXES

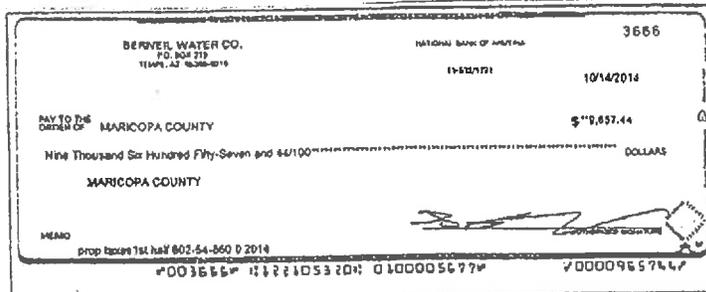
Amount of actual property taxes paid during Calendar Year 2014 was: \$ 20,029.71

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. _____



Processed 04/28/14 \$10372.27 Ch# 3557



Processed 10/28/14 \$9657.44 Ch# 3666

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

MAY 20 2015

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Brad Falkman, President</u>
COMPANY NAME	<u>Barnell Water Company</u>

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2014</u>

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]
SIGNATURE OF OWNER OR OFFICIAL
480-966-5804
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

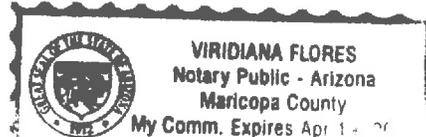
THIS 20th DAY OF

COUNTY NAME	<u>Maricopa</u>	
MONTH	<u>May</u>	<u>2015</u>

(SEAL)

[Signature]
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 4/19/2019



**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 20 2015

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Brad Falkman, President</u>
COMPANY NAME	<u>Berneil Water Company</u>

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
<u>\$ 629,211²⁷</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 58,770⁴³ 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)**

Brad Falkman
SIGNATURE OF OWNER OR OFFICIAL

480-966-5804
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 20th DAY OF

COUNTY NAME		<u>Maricopa</u>
MONTH	YEAR	<u>May 2015</u>

(SEAL)

MY COMMISSION EXPIRES 4/19/2019

Viridiana Flores
SIGNATURE OF NOTARY PUBLIC

VIRODIANA FLORES
Notary Public - Arizona
Maricopa County
My Comm. Expires Apr 19, 2019

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE

Intrastate Revenues Only

RECEIVED

MAY 20 2015

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Maricopa	
NAME (OWNER OR OFFICIAL)	Brad Falkman	TITLE President
COMPANY NAME	Berneil Water Company	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 625,579.⁴⁹/₁₀₀

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 58,424.⁹³/₁₀₀
IN SALES TAXES BILLED, OR COLLECTED)

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


SIGNATURE OF OWNER OR OFFICIAL

480-966-5804
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

20th

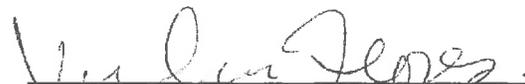
DAY OF

NOTARY PUBLIC NAME	Viridiana Flores	
COUNTY NAME	Maricopa	
MONTH	May	2015

(SEAL)

MY COMMISSION EXPIRES

4/19/2019


SIGNATURE OF NOTARY PUBLIC

