

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

RECEIVED

JAN 29 2015

AZ CORP COMM
Director - Utilities

W-02273A

Ehrenberg Improvement Association
PO Box 50
Ehrenberg, AZ 85334-0050

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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2-3-15

COMPANY INFORMATION

Company Name (Business Name) Ehrenberg Improvement Association

Mailing Address P.O. Box 50
(Street)

Ehrenberg AZ 85334-0050
(City) (State) (Zip)

(928) 923-9388 (928) 923-9389 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address ehrenbergwater@airwaveme.net

Local Office Mailing Address Same as Above
(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: Dennis Price Manager
(Name) (Title)

P.O. Box 50 Ehrenberg AZ 85334-0050
(Street) (City) (State) (Zip)

(928) 923-9388 (928) 923-9389 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address ehrenbergwater@airwaveme.net

On Site

Manager: SAA
(Name)

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

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

Email Address _____

Statutory Agent: Michael J. Pearce Maguire & Pearce, PLLC

(Name)

2999 North 44th Street, Suite 630

(Street)

Phoenix

(City)

Arizona

(State)

85018

(Zip)

(602) 277 2195

Telephone No. (Include Area Code)

(602) 277-2199

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: : Michael J. Pearce Maguire & Pearce, PLLC

(Name)

2999 North 44th Street, Suite 630

(Street)

Phoenix

(City)

Arizona

(State)

85018

(Zip)

(602) 277 2195

Telephone No. (Include Area Code)

(602) 277-2199

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address mpearce@mpwaterlaw.com

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) Non Profit Corporation

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

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	4,800	N/A	
304	Structures and Improvements	48,186	32,244	15,942
307	Wells and Springs	8,221	8,221	0
311	Pumping Equipment	31,023	31,023	0
320	Water Treatment Equipment	232,902	190,804	42,098
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	107,711	107,711	0
330.1	Storage Tanks	180,100	90,842	89,258
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	494,014	243,502	250,512
333	Services	77,205	20,586	56,619
334	Meters and Meter Installations	103,348	103,348	0
335	Hydrants	64,367	44,238	20,129
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	5,814	5,814	0
340.1	Computers & Software	1,350	438	912
341	Transportation Equipment	31,730	31,730	0
343	Tools, Shop and Garage Equipment	8,332	5,338	2,994
344	Laboratory Equipment	4,331	3,456	875
345	Power Operated Equipment			
346	Communication Equipment	732	584	148
347	Miscellaneous Equipment	1,622	1296	326
348	Other Tangible Plant			
	TOTALS	1,405,788	944,271	461,517

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

COMPANY NAME: Ehrenberg Improvement Association

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	4,800	-0-	-0-
304	Structures and Improvements	48,186	3.33%	1,563
307	Wells and Springs	8,221	3.33%	-0-
311	Pumping Equipment	31,023	12.50%	1,789
320	Water Treatment Equipment	232,902	3.33%	7,134
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	107,711	2.22%	2,370
330.1	Storage Tanks	180,100	2.22%	3,998
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	494,014	2.00%	9,880
333	Services	77,205	3.33%	2,574
334	Meters and Meter Installations	103,348	8.33%	-0-
335	Hydrants	64,367	2.00%	1,287
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	5,814	6.67%	0
340.1	Computers & Software	1,350	33.3	450
341	Transportation Equipment	31,730	20.00%	-0-
343	Tools, Shop and Garage Equipment	8,332	5.00%	329
344	Laboratory Equipment	4,331	10.00%	433
345	Power Operated Equipment			
346	Communication Equipment	732	10.00%	73
347	Miscellaneous Equipment	1,622	10.00%	162
348	Other Tangible Plant			
	SUBTOTAL	1,405,788		32,042
	LESS CIAC Amortization			
	TOTALS *	1,405,788		32,042

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

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$14,170	\$40,623
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$23,922	\$17,091
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	\$14,000	\$14,000
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$52,092	\$71,714
	FIXED ASSETS		
101	Utility Plant in Service	\$1,423,873	\$1,423,873
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(945,183)	(932,204)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$523,788	\$491,669
	TOTAL ASSETS	\$575,880	\$563,383

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

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$814	\$168
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	\$7,020	\$7,920
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$7,834	\$8,088
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$230,835	\$197,907
	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	\$246,503	\$214,083
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	\$329,377	\$349,300
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$329,377	\$349,300
	TOTAL LIABILITIES AND CAPITAL	\$575,880	\$563,383

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$247,218	\$259,796
460	Unmetered Water Revenue		
474	Other Water Revenues	\$755	\$4,298
	TOTAL REVENUES	\$246,578	\$264,094
	OPERATING EXPENSES		
601	Salaries and Wages	\$78,116	\$85,174
610	Purchased Water	\$144	\$150
615	Purchased Power	\$19,573	\$23,275
618	Chemicals	\$10,480	\$7,248
620	Repairs and Maintenance	\$17,961	\$40,806
621	Office Supplies and Expense	\$8,034	\$7,058
630	Outside Services	\$9,514	\$10,065
635	Water Testing	\$3,4071	\$5,188
641	Rents	\$0	\$0
650	Transportation Expenses	\$8,987	\$10,459
657	Insurance – General Liability	\$10,486	\$10,356
659	Insurance - Health and Life		
666	Regulatory Commission Expense	\$692	\$170
675	Miscellaneous Expense	\$2,655	\$2,802
403	Depreciation Expense	\$32,119	\$32,187
408	Taxes Other Than Income	\$26,152	\$25,207
408.11	Property Taxes	\$10,264	\$10,355
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$269,248	\$270,500
	OPERATING INCOME/(LOSS)	(\$22,670)	(\$6,406)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$70	\$80
421	Non-Utility Income	\$1,510	\$258
426	Miscellaneous Non-Utility Expenses	(\$210)	(\$395)
427	Interest Expense	(\$12,856)	(\$10,469)
	TOTAL OTHER INCOME/(EXPENSE)	(\$11,486)	(\$10,526)
	NET INCOME/(LOSS)	(\$34,156)	(\$16,932)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	2/1989	6/1995		
Source of Loan	USDA	USDA		
ACC Decision No.				
Reason for Loan	Construction	Construction		
Dollar Amount Issued	\$600,000	\$92,100	\$	\$
Amount Outstanding	\$197,906.96	\$63,515.71	\$	\$
Date of Maturity	6/2018	3/2034		
Interest Rate	5.00%	4.50%	%	%
Current Year Interest	\$7,560.45	\$2,908.91	\$	\$
Current Year Principal	\$30,853.49	\$2,071.09	\$	\$

Meter Deposit Balance at Test Year End \$7,920

Meter Deposits Refunded During the Test Year \$1,440

COMPANY NAME: Ehrenberg Improvement Association

Name of System: ADEQ Public Water System Number: 15497

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Colorado River Pumps (2)	600	108,099

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
None		63	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
600,000	2	30,000	1

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

COMPANY NAME: Ehrenberg Improvement Association

Name of System: ADEQ Public Water System Number: 15497

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	200
3		
4		
5		
6	AC & PEP	3,125
8	AC	8,220
10		
12	AC	267,000

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	0
3/4	203
1	103
1 1/2	12
2	16
Comp. 3	0
Turbo 3	7
Comp. 4	2
Turbo 4	1
Comp. 6	2
Turbo 6	0
Comp 8	1

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

TREATMENT EQUIPMENT:

(4) Filter Media

STRUCTURES:

(1) 30' x 40' Steel Building

(1) 6' x 5' Steel Water Treatment Building

(1) 10' x 20' Framed Office/Laboratory Inside Steel Building Above

OTHER:

(2) Steel Reservoirs, 600,000 Gallons Each

(1) Steel Holding Tank, 30,000 Gallons

(1) Pier with Intake Pumps (2)

(1) Steel Holding Tank, 5,000 Gallons

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

COMPANY NAME: Ehrenberg Improvement Association	
Name of System:	ADEQ Public Water System Number: 15497

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	293	5,333	7,531	
FEBRUARY	290	5,288	6,773	
MARCH	291	5,314	8,229	
APRIL	293	7,776	9,304	
MAY	293	8,270	11,925	
JUNE	290	9,392	12,590	
JULY	290	11,526	13,348	
AUGUST	290	10,194	11,522	
SEPTEMBER	290	10,946	11,254	
OCTOBER	288	7,180	9,013	
NOVEMBER	287	7,870	9,436	
DECEMBER	291	6,337	7,602	
TOTALS →		95,371	118,527	0

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

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 1 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: Ehrenberg Improvement Association

Name of System:

ADEQ Public Water System Number: 15497

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	1	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	1	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	2	0

OTHER (description):

2

COMPANY NAME Ehrenberg Improvement Association YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$10,354.54

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

JAN 29 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	La Paz
NAME (OWNER OR OFFICIAL) TITLE	Christina Balvanz, President
COMPANY NAME	Ehrenberg Improvement Association

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	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

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.

Christina Balvanz
SIGNATURE OF OWNER OR OFFICIAL
928-923-9388
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

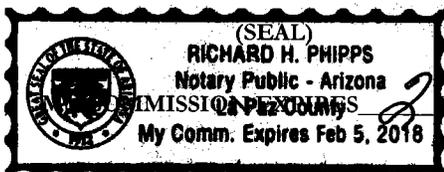
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

27th

DAY OF JAN.

COUNTY NAME	<u>La Paz - AZ</u>	
MONTH	<u>JAN</u>	<u>2015</u>



25-2018

Richard H. Phipps
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
JAN 29 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>La Paz</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Christina Balvanz, President</u>
COMPANY NAME	<u>Ehrenberg Improvement Association</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>264,448</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 17,870.08
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)**

Christina Balvanz

SIGNATURE OF OWNER OR OFFICIAL
928-923-9388

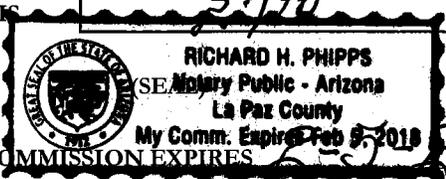
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 27th DAY OF

COUNTY NAME	<u>La Paz AZ</u>
MONTH	<u>Jan</u> 20 <u>15</u>


MY COMMISSION EXPIRES 2-9-2018

Richard H. Phipps

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED
JAN 29 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) La Paz	
NAME (OWNER OR OFFICIAL) Christina Balvanz	TITLE President
COMPANY NAME Ehrenberg Improvement Association	

I, THE UNDERSIGNED

OF THE

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
\$ <u>264,448</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 17,870.08
IN SALES TAXES BILLED, OR COLLECTED)

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

Christina Balvanz

SIGNATURE OF OWNER OR OFFICIAL

928-923-9388

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

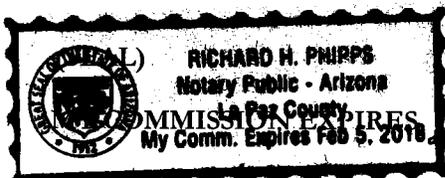
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

27th

DAY OF

NOTARY PUBLIC NAME Richard H. Phipps	
COUNTY NAME La Paz	
MONTH JUN.	YEAR 2015



3-5-2018
Richard H. Phipps

SIGNATURE OF NOTARY PUBLIC