

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02467A

Granite Mountain Water Co
PO Box 350
Chino Valley, AZ 86323

RECEIVED

MAY 20 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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5-21-15

COMPANY INFORMATION

Company Name (Business Name) Granite Mountain Water Co		
Mailing Address: <u>501 N HWY 89, PO BOX 350</u>		
<u>Chino Valley</u> (City)	<u>AZ</u> (State)	<u>86323</u> (Zip)
<u>928-717-2616</u> Telephone No. (Include Area Code)	<u>928-636-0684</u> Fax No. (Include Area Code)	<u> </u> Cell No. (Include Area Code)
Email Address <u>PDL@leviegroupp.com</u>		
Local Office Mailing Address _____		
(Street)	(City)	(State) (Zip)
Local Customer Service Phone No. (Include Area Code) _____ (1-800 or other long distance Customer Service Phone No.)		
Email Address <u>same</u> Website address <u>cmiiwc.com</u>		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:		
<input checked="" type="checkbox"/> Management Contact: <u>Arden Barney</u> <u>Operations Manager</u>		
<u>PO BOX 350</u> (Street)	<u>Chino Valley AZ</u> (City) (State)	<u>86323</u> (Zip)
<u>928-717-2616</u> Telephone No. (Include Area Code)	<u> </u> Fax No. (Include Area Code)	<u> </u> Cell No. (Include Area Code)
Email Address <u>Arden@leviegroupp.com</u>		
On Site Manager: <u>Christine Nelson</u>		
<u>PO BOX 350</u> (Street)	<u>Chino Valley</u> (City) (State)	<u>AZ</u> (State) (Zip)
<u>928-717-2616</u> Telephone No. (Include Area Code)	<u>928-636-0684</u> Fax No. (Include Area Code)	<u> </u> Cell No. (Include Area Code)
Email Address <u>christine@leviegroupp.com</u>		

Statutory Agent: Paul D. Levie

(Name)

PO Box 350 Chino Valley AZ 86323

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

928-717-2616 928-636-0684
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Paul D. Levie

(Name)

PO BOX Chino Valley AZ 86323

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

928-717-2616 928-636-0684
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address pdl@leviegroupp.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) _____

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

COMPANY NAME: Granite Mountain Water Co

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	110	110	0
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	21608	19873	1735
305	Collection and Impound Resv			
307	Wells and Springs	52028	44975	7053
309	Supply Mains			
310	Power generation Equipment	10406	3238	7168
311	Pumping Equipment	94777	76569	18208
320	Water Treatment Equipment	2077	626	1451
330	Distribution Reservoirs and Standpipes	169694	73901	95793
331	Transmission and Distribution Mains	415163	298340	116832
333	Services	55852	47184	8668
334	Meters and Meter Installations	6758	2904	3854
335	Hydrants	8774	2901	5873
336	Backflow Prevention Devices	1027	338	689
339	Other Plant and Misc. Equipment	4850	4850	0
340	Office Furniture and Equipment			
341	Transportation Equipment	26457	8298	18159
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	5000	4229	771
346	Communication Equipment	4353	4332	21
347	Miscellaneous Equipment			
348	Other Tangible Plant	20	20	0
	TOTALS	878953	592688	

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

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	110	0%	0
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	21608	2%	432
305	Collection and Impound Resv			
307	Wells and Springs	52028	4%	2081
309	Supply Mains			
310	Power generation Equipment	10406	5%	520
311	Pumping Equipment	94777	3%	2843
320	Water Treatment Equipment	2077	5%	104
330	Distribution Reservoirs and Standpipes	169694	5%	8485
331	Transmission and Distribution Mains	415163	3%	12454
333	Services	55852	5%	2793
334	Meters and Meter Installations	6758	5%	338
335	Hydrants	8774	5%	439
336	Backflow Prevention Devices	1027	5%	51
339	Other Plant and Misc. Equipment	4850	0%	0
340	Office Furniture and Equipment			
341	Transportation Equipment	26457	20%	5291
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	5000	5%	250
346	Communication Equipment	4353	15%	653
347	Miscellaneous Equipment			
348	Other Tangible Plant	20	0%	0
	SUBTOTAL	878953		36734
	LESS CIAC Amortization			
	TOTALS *	878953		36734

*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	(2648.24)	27085.98
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	21261.29	11663.09
142	Prepaid Federal Income Tax		
145	Employee Loans- Receivables		456.50
146	Notes/Receivables from Associated Companies	49129.04	31359.62
151	Plant Material and Supplies		123.12
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	67742.09	70688.31
	FIXED ASSETS		
101	Utility Plant in Service	846548.42	866665.77
103	Property Held for Future Use	13554.95	13554.95
105	Construction Work in Progress	8591.07	51375.56
108	Accumulated Depreciation – Utility Plant	(555098.71)	(592688)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	313595.73	338908.28
	TOTAL ASSETS	381337.82	409596.59

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.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
2110	Direct Deposit Liabilities	0	410.64
231	Accounts Payable		
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	(807.03)	200.00
236	Accrued Taxes	293.08	(199.85)
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	2162.41	898.90
	TOTAL CURRENT LIABILITIES	1648.46	1309.69
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	0	30554.11
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	36728.40	36728.40
252	Advances in Aid of Construction	8256.00	8308
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	44984.40	45036.40
	TOTAL LIABILITIES	46632.86	76900.20
	CAPITAL ACCOUNTS		
201	Common Stock Issued	177139.19	177139.19
211	Paid in Capital in Excess of Par Value	405722.32	405722.32
215	Retained Earnings	(206087.18)	(213521.83)
216	Treasury Stock		
217	Yearly Dividen	0	1800.00
	TOTAL CAPITAL	376774.33	368524.54
	TOTAL LIABILITIES AND CAPITAL	423407.19	445424.74

COMPANY NAME: Granite Mountain Water Co

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	106049.38	114972.22
460	Unmetered Water Revenue		
474	Other Water Revenues	2876.59	1077.42
	TOTAL REVENUES	108925.97	116049.64
	OPERATING EXPENSES		
601	Salaries and Wages	39941.62	30350.70
610	Purchased Water	0	0
612	Bank Charges	0	8.00
615	Purchased Power	8949.63	10267.64
618	Chemicals	47.22	101.43
620	Repairs and Maintenance	4338.61	14887.54
621	Office Supplies and Expense	5313.53	5932.57
630	Outside Services	5528.44	4754.01
635	Water Testing	5379.88	1970.41
641	Rents	3000.00	1800.00
650	Transportation Expenses	5452.88	3448.07
657	Insurance – General Liability	995.96	2316.00
659	Insurance - Health and Life	296.28	515.07
666	Regulatory Commission Expense – Rate Case	321.18	7240.35
675	Miscellaneous Expense	825.73	310.22
403	Depreciation Expense	32928.00	36734.00
408	Taxes Other Than Income		
408.11	Property Taxes	1618.69	5604.51
409	Income Tax		
	TOTAL OPERATING EXPENSES	114937.65	124440.52
	OPERATING INCOME/(LOSS)	(6011.68)	(8390.88)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(16.47)	(187.38)
	TOTAL OTHER INCOME/(EXPENSE)	(16.47)	(187.38)
	NET INCOME/(LOSS)	(6028.15)	(8578.26)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	9/12/2014			
Source of Loan	WIFA			
ACC Decision No.				
Reason for Loan	Install new Well			
Dollar Amount Issued	\$31568.92	\$	\$	\$
Amount Outstanding	\$30554.11	\$	\$	\$
Date of Maturity	5/1/34			
Interest Rate	3.938%	%	%	%
Current Year Interest	\$65.80	\$	\$	\$
Current Year Principle	\$516.28	\$	\$	\$

Meter Deposit Balance at Test Year End	\$5900.00
Meter Deposits Refunded During the Test Year	\$ 4693.50

COMPANY NAME Granite Mountain Water Co	
Name of System:	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
55-554078	15	125	500	6	3	1996
55-511771	15	65	362	6	2	2004
55-220316	Not in Use	65	TBD	6	3	TBD
55-502453	Not in Use	10	340	7	N/A	1982
55-511301	Not in Use	None	275	6	N/A	1985

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2	3	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
11,700	1	2,000	1
50,000	1		

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

COMPANY NAME Granite Mountain Water Co	
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

CUSTOMER METERS

Size (in inches)	Material	Length (in feet)
2	Pvc	708
3		
4	Pvc	16114
5		
6	pvc	19098
8		
10		
12		

Size (in inches)	Quantity
5/8 X 3/4	94
3/4	
1	34
1 1/2	
2	1
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:

- 1- Chlorination Pump Feeder System

Structures:

- 3-Well house Structures 10'x12'
- 1- Pressure tank Facility containing 2,000 Gallons Pressure Tank and Pumping Equipment

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

COMPANY NAME: <u>Granite Mountain Water Co</u>	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	122	466870	567200	0
FEBRUARY	123	522680	206900	0
MARCH	125	630961	636500	0
APRIL	124	890284	991500	0
MAY	127	880145	898500	0
JUNE	127	1581750	1528200	0
JULY	128	1225040	1556000	0
AUGUST	129	798550	912000	0
SEPTEMBER	129	655770	775700	0
OCTOBER	129	949220	1118300	0
NOVEMBER	129	624810	555900	0
DECEMBER	129	566270	774800	0
TOTALS →		9792350	9792350	0

What is the level of arsenic for each well on your system? _____ mg/l

55-51171=.0022mg/l

55-554078=.0020mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement?

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: Granite Mountain Water Co

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	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	0	0

OTHER (description):

COMPANY NAME Granite Mountain Water Co YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ **5604.51** _____

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

MAY 04 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF

AZ

COUNTY OF (COUNTY NAME) Yavapai

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL) TITLE Paul D. Levie

OF THE

COMPANY NAME Granite Mountain Water Company

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.

SIGNATURE OF OWNER OR OFFICIAL

928-778-2600

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

28

DAY OF

COUNTY NAME

Yavapai

MONTH

April

2015

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES



MARY P NICHOLS
NOTARY PUBLIC, ARIZONA
YAVAPAI COUNTY
My Commission Expires
December 16, 2018

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Paul D. Levie</u>
COMPANY NAME	<u>Granite Mountain Water Co</u>

MAY 04 2015

AZ CORP COMM
Director - Utilities

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>124521.47</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 8471.83
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
928-778-2600
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 28 DAY OF

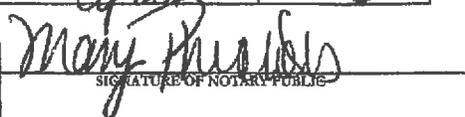
COUNTY NAME	<u>Yavapai</u>
MONTH	<u>April</u> 2015

(SEAL)

MY COMMISSION EXPIRES



MARY P NICHOLS
NOTARY PUBLIC, ARIZONA
YAVAPAI COUNTY
My Commission Expires
December 16, 2018


SIGNATURE OF NOTARY PUBLIC

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

RECEIVED
MAY 04 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Paul D Levie	TITLE Owner
COMPANY NAME Granite Mountain Water Co	

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>124521.47</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 8471.83
IN SALES TAXES BILLED, OR COLLECTED)

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


SIGNATURE OF OWNER OR OFFICIAL

928-778-2600
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

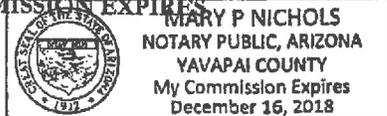
38

DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME Yavapai	
MONTH April	DATE .2015

(SEAL)

MY COMMISSION EXPIRES




SIGNATURE OF NOTARY PUBLIC