

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

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

W-02479A

Lord Arizona Water Systems, Inc.  
PO Box 3048  
Show Low, AZ 85902

**RECEIVED**

MAY 08 2016  
AZ CORP COMM  
Director - Utilities

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:

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**ANNUAL REPORT**

**Water**

**FOR YEAR ENDING**

12	31	2014
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**FOR COMMISSION USE**

ANN 04	14
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5-6-16

**COMPANY INFORMATION**

**Company Name (Business Name)** LORD ARIZONA WATER SYSTEMS INC

**Mailing Address** P.O. Box 3048  
Show Low (Street) Az (State) 85902 (Zip)  
928 5371557 (City) (State) (Zip)

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

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

**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 \_\_\_\_\_ Website address \_\_\_\_\_

**MANAGEMENT INFORMATION**

**Regulatory Contact:**

**Management Contact:** Tom Lord (Name) Pres (Title)  
Same (Street) (City) (State) (Zip)

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

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

**On Site Manager:** \_\_\_\_\_  
\_\_\_\_\_  
(Name) (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: Douglas BROWN

(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 checked="" 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 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

Lord Ar Water Systems Inc

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	24 300		
304	Structures and Improvements	25 700		
307	Wells and Springs	99 085		
311	Pumping Equipment			
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	46 017		
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	762 542		
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment	8000		
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>			

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



COMPANY NAME

**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			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
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			
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			
	<b>SUBTOTAL</b>			
	<b>LESS CIAC Amortization</b>			
	<b>TOTALS *</b>			

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

COMPANY NAME

**WATER UTILITY BALANCE SHEET**

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$	\$
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		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$	\$
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$	\$
	<b>TOTAL ASSETS</b>	\$	\$

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

COMPANY NAME

**WATER UTILITY BALANCE SHEET (CONTINUED)**

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$	\$
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		
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$</b>	<b>\$</b>
	<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		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$</b>	<b>\$</b>
	<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>\$</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$</b>	<b>\$</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$</b>	<b>\$</b>

COMPANY NAME LOD ARIZONA WATER SYSTEMS INC

**WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 134783	\$ 135516
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 134783	\$ 135516
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 35776	\$ 43048
610	Purchased Water	2859	2164
615	Purchased Power	22994	20577
618	Chemicals		
620	Repairs and Maintenance	30758	35048
621	Office Supplies and Expense	5231	4706
630	Outside Services	9743	1547
635	Water Testing	9174	11238
641	Rents		
650	Transportation Expenses	2991	3209
657	Insurance - General Liability	2145	1525
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		892
403	Depreciation Expense		
408	Taxes Other Than Income	8110	7277
408.11	Property Taxes	1441	
409	Income Tax	707	
	<b>TOTAL OPERATING EXPENSES</b>	\$ 125915	\$
	<b>OPERATING INCOME/(LOSS)</b>	\$	\$
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$	\$
	<b>NET INCOME/(LOSS)</b>	\$	\$

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	Lord Ar Water Sys 16c		
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						
505642	10	30	1100	5		
504124	5	25	825	4		
504318	10	30	1000	4	1	

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Cedar Grove		16 <del>20</del>

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	2		
5	2		
2	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20000	1	119	2
15000	2	2000	2
10000	1		

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

<b>COMPANY NAME</b>	
Name of System:	ADEQ Public Water System Number:

**WATER UTILITY 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:**

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**STRUCTURES:**

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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: <u>Lord Oz Water Systems Inc</u>
Name of System: <u>Wilderness</u> ADEQ Public Water System Number: <u>01-373</u> <u>Winchester</u> <u>01-047</u>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	368	1118		
FEBRUARY		985		
MARCH		1056		
APRIL		2601		3100
MAY		2091		6200
JUNE		2785		
JULY		1785		
AUGUST		1346		7000
SEPTEMBER		1689		
OCTOBER		1081		
NOVEMBER		1035		
DECEMBER		1001		
TOTALS →		18578		16300

What is the level of arsenic for each well on your system? <.003  
<.003  
<.001 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 (X) No

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

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
( ) Yes (X) 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.**

<b>COMPANY NAME:</b>	
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b>

**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				
<b>TOTALS →</b>				

OTHER (description):

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COMPANY NAME LORD ARIZONA WATER Sys INC YEAR ENDING 12/31/2014

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2014 was: \$ 0

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. not enough money  
will be applying for Rate increase

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VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

MAY 03 2015

AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF AZ  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <u>Apache</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Thomas V. Lord</u>
COMPANY NAME <u>Lord Arizona Water Systems Inc</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
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.~~ <sup>Not</sup>

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

Thomas V. Lord  
SIGNATURE OF OWNER OR OFFICIAL  
928 537 1557  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

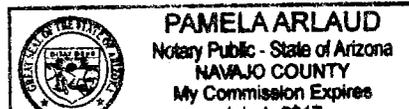
THIS 3 DAY OF

COUNTY NAME	<u>Navajo</u>
MONTH	<u>6</u> .20 <u>15</u>

(SEAL)

Pamela Arlaud  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 7/1/17



RECEIVED

MAY 03 2013

AZ CORP COMM  
Director - Utilities

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

VERIFICATION

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>Apache</i>
NAME (OWNER OR OFFICIAL) TITLE <i>Thomas V. Lord</i>
COMPANY NAME <i>Lord Az Water Systems Inc</i>

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 (\$)
<i>\$135516</i>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ *7277* 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)

*Thomas V. Lord*  
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

*3*

DAY OF

COUNTY NAME <i>Navajo</i>	
MONTH <i>6</i>	20 <i>13</i>

(SEAL)

*Pamela Arlaud*  
SIGNATURE OF NOTARY PUBLIC  
PAMELA ARLAUD  
Notary Public - State of Arizona  
NAVAJO COUNTY

MY COMMISSION EXPIRES

*7/1/17*

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

**RECEIVED**  
MAY 08 2016  
AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>Apache</i>	
NAME (OWNER OR OFFICIAL)	TITLE <i>Pres</i>
COMPANY NAME <i>Lord Arizona Water Systems Inc</i>	

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

FOR THE YEAR ENDING

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

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  <i>\$ 135516</i>
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THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ *7277*  
IN SALES TAXES BILLED, OR COLLECTED)

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

*Thomas Ford*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER \_\_\_\_\_

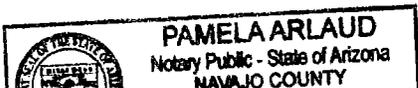
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS *3* DAY OF

(SEAL)

MY COMMISSION EXPIRES



*7/1/17*

NOTARY PUBLIC NAME <i>Pamela Arlaud</i>	
COUNTY NAME <i>Navajo</i>	
MONTH <i>6</i>	YEAR <i>2015</i>

*Pamela Arlaud*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC