

ARIZONA CORPORATION COMMISSION RECEIVED
UTILITIES DIVISION

MAR 24 2015

AZ CORP COMM
Director - Utilities

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01816A
Spanish Trail Water Company
2200 E. River Rd, Ste 115
Tucson, AZ 85718

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2014
----	----	------

FOR COMMISSION USE

ANN 04	14
--------	----

3-25-15

COMPANY INFORMATION

Company Name (Business Name) Spanish Trail Water Company

Mailing Address 2200 E. River Rd, Ste. 115

(Street)

Tucson

(City)

AZ

(State)

857189

(Zip)

520-577-0200

Telephone No. (Include Area Code)

520-299-5602

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address mweinberg@diamondven.com

Local Office Mailing Address 2200 E. River Road, Suite 115

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

520-577-0200

Local Office Telephone No. (Include Area Code)

520-299-5602

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address mweinberg@diamondven.com

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Mark Weinberg

(Name)

General Manager

(Title)

2200 E. River Road, Suite 115

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

520-577-0200

Telephone No. (Include Area Code)

520-299-5602

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address mweinberg@diamondven.com

On Site Manager: Chris Hill

(Name)

2200 E. River Road, Suite 115

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Chad Kolodisner
(Name)

2200 E. River Road, Suite 115 Tucson AZ 85718
(Street) (City) (State) (Zip)

520-577-0200 520-299-5602
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Lawrence Robertson Jr.
(Name)

2247 E. Frontage Rd (PO Box 1448) Tubac AZ 85646
(Street) (City) (State) (Zip)

520-398-0411
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address tubaclawyer@aol.com

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

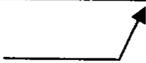
Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <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"/> STATEWID | | |

COMPANY NAME Spanish Trail Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	3,394	0	3,394
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	1,594	1,594	0
307	Wells and Springs	133,626	60,328	73,298
311	Pumping Equipment	70,377	70,377	0
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	96,929	26,434	70,495
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	462,083	210,147	251,936
333	Services	23,532	18,800	4,732
334	Meters and Meter Installations	61,993	61,993	0
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			
	TOTALS	853,527	449,672	403,855

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

COMPANY NAME Spanish Trail Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	3,394	0.0%	0
302	Franchises		0.0%	
303	Land and Land Rights		0.0%	
304	Structures and Improvements	1,594	3.33%	0
307	Wells and Springs	133,626	3.33%	4,450
311	Pumping Equipment	70,377	12.5%	
320	Water Treatment Equipment		3.33%	
320.1	Water Treatment Plants		3.33%	
320.2	Solution Chemical Feeders		20%	
330	Distribution Reservoirs and Standpipes	96,929	2.22%	2,152
330.1	Storage Tanks		2.22%	
330.2	Pressure Tanks		5.0%	
331	Transmission and Distribution Mains	462,083	2.0%	9,242
333	Services	23,532	3.33%	784
334	Meters and Meter Installations	61,993	8.33%	388
335	Hydrants		2.0%	
336	Backflow Prevention Devices		6.67%	
339	Other Plant and Misc. Equipment		6.67%	
340	Office Furniture and Equipment		6.67%	
340.1	Computers & Software		20.0%	
341	Transportation Equipment		20.0%	
343	Tools, Shop and Garage Equipment		5.0%	
344	Laboratory Equipment		10.0%	
345	Power Operated Equipment		5.0%	
346	Communication Equipment		5.0%	
347	Miscellaneous Equipment		10.0%	
348	Other Tangible Plant		0.0%	
	TOTALS	853,527		17,015

This amount (less current year amortization of Contributions in Aid of Construction of ~~\$5,729~~) goes on the Comparative Statement of Income and Expense Acct. No. 403.

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$5,497	\$10,491
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	6,600	7,541
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$12,097	\$18,032
	FIXED ASSETS		
101	Utility Plant in Service	\$853,526	\$853,526
103	Property Held for Future Use	12,000	12,000
105	Construction Work in Progress	236,271	236,271
108	Accumulated Depreciation – Utility Plant	(432,657)	(449,672)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$669,141	\$652,125
	TOTAL ASSETS	\$681,238	\$670,157

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

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	\$71,000	\$219,000
235	Customer Deposits	13,803	16,473
236	Accrued Taxes	5,710	5,846
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$90,513	\$241,320
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	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	\$286,439	\$286,439
272	Less: Amortization of Contributions	(47,740)	(14,322)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$238,699	\$272,117
	TOTAL LIABILITIES	\$329,212	\$513,437
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$1,000	\$1,000
211	Paid in Capital in Excess of Par Value	4,123,493	4,123,493
215	Retained Earnings	(3,772,468)	(3,967,773)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$352,025	\$156,720
	TOTAL LIABILITIES AND CAPITAL	\$681,238	\$670,157

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$141,120	\$138,270
460	Unmetered Water Revenue		
474	Other Water Revenues		302
	TOTAL REVENUES	\$141,120	\$138,572
	OPERATING EXPENSES		
601	Salaries and Wages		
610	Purchased Water	\$27,564	\$46,417
615	Purchased Power	34,066	18,620
618	Chemicals		
620	Repairs and Maintenance	0	0
621	Office Supplies and Expense	33	0
630	Outside Services	50,567	126,322
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1,165	1,218
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		71,751
403	Depreciation Expense	5,878	11,286
408	Taxes Other Than Income	100,574	8,617
408.11	Property Taxes	9,453	10,500
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$229,578	\$294,731
	OPERATING INCOME/(LOSS)	\$(88,458)	\$(156,159)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	\$0	\$0
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$0	\$0
	NET INCOME/(LOSS)	\$(88,458)	\$(156,159)

COMPANY NAME Spanish Trail Water Company

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	\$16,065.50
Meter Deposits Refunded During the Test Year	\$4,228.30

COMPANY NAME Spanish Trail Water Company

Name of System: Spanish Trail Water Co. **ADEQ Public Water System Number:** 10127

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-622249	5	50		8	2	
55-622256	40	400		12	4	
55-536560	20	305		12	6	1993

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Saguaro Water Company		10,431

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	2	27	
7.5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	1,000	1
		2,000	1
		3,000	1

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

COMPANY NAME Spanish Trail Water Company

Name of System: Spanish Trail Water Co. **ADEQ Public Water System Number:** 10127

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	366
3/4	20
1	11
1 1/2	
2	3
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: Spanish Trail Water Company
Name of System: Spanish Trail Water Co. **ADEQ Public Water System Number:** 10127

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	2	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	2	0

OTHER (description):

COMPANY NAME_ Spanish Trail Water Company _____ YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ **10,241.61**

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

MAR 24 2015

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF _____

**I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME) Pima County	
NAME (OWNER OR OFFICIAL) TITLE Diamond Ventures, Inc, an Arizona Corporation, Manager, by its Vice President, Mark Weinberg	
COMPANY NAME Spanish Trail Water Company	

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

FOR THE YEAR ENDING

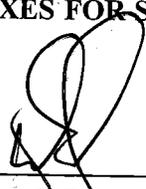
MONTH	DAY	YEAR
12	31	2014

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.



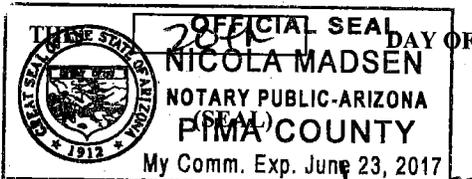
SIGNATURE OF OWNER OR OFFICIAL

520-577-0700

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



COUNTY NAME PIMA	
MONTH MARCH	2015



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES June 23, 2017

COMPANY NAME Spanish Trail Water Company YEAR ENDING 12/31/2014

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported \$0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
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.



SIGNATURE

Mark Weinberg
PRINTED NAME

DATE

Vice President, Diamond Ventures, Inc., Manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAR 24 2015

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima
NAME (OWNER OR OFFICIAL) TITLE Diamond Ventures, Inc, an Arizona Corporation, Manager, by its Vice President, Mark Weinberg
COMPANY NAME Spanish Trail Water Corporation

**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 (\$) \$138,572

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 8,617
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)**



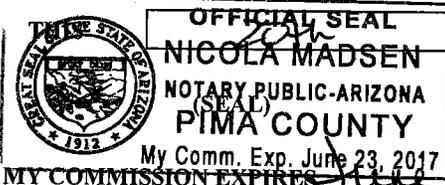
SIGNATURE OF OWNER OR OFFICIAL
520-577-0200

TELEPHONE NUMBER

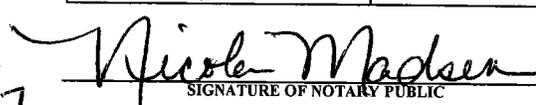
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME PIMA
MONTH MARCH YEAR 2015



DAY OF _____



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES June 23, 2017

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

RECEIVED
MAR 24 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Diamond Ventures, Inc, an Arizona Corporation, Manager, by its Vice President, Mark Weinberg	TITLE Vice President, Diamond Ventures, Manager
COMPANY NAME Spanish Trail 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.

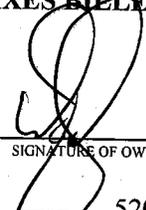
SWORN STATEMENT

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 \$ 133,335

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 8,291 IN SALES TAXES BILLED, OR COLLECTED)

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



 SIGNATURE OF OWNER OR OFFICIAL

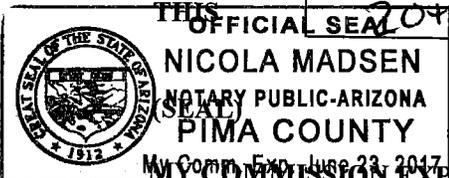
 520-577-0200
 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS OFFICIAL SEAL 20th DAY OF

NOTARY PUBLIC NAME Nicola Madsen	
COUNTY NAME PIMA	
MONTH March	, 20 15



MY COMMISSION EXPIRES

June 23, 2017



 SIGNATURE OF NOTARY PUBLIC