

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02372A

Verde Lakes Water Corporation
2867 South Verde Lakes Drive, #B
Camp Verde, AZ 86322-6595

RECEIVED

APR 01 2015

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:

ANNUAL REPORT

Water

FOR YEAR ENDING

12	31	2014
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FOR COMMISSION USE

ANN 04	14
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4-2-15

Statutory Agent: _____

Alan Williams

(Name)

2867 South Verde Lakes Drive, #B

Camp Verde

AZ

86322-6595

(Street)

(City)

(State)

(Zip)

928-567-4338

928-567-7049

928-300-0541

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: _____

N/A

(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 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 checked="" 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 type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME	Verde lakes Water Corporation
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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	137,497	-0-	137,497
304	Structures and Improvements	77,615	25,824	51,791
307	Wells and Springs	29,423	25,023	4,400
311	Pumping Equipment	84,394	84,282	112
320	Water Treatment Equipment	56,440	22,193	34,247
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	213,583	153,983	59,600
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	333,786	328,228	5,558
333	Services	30,772	29,796	976
334	Meters and Meter Installations	56,256	56,256	-0-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	13,370	9,152	4,218
340.1	Computers & Software	8,236	7,755	481
341	Transportation Equipment	31,810	31,810	-0-
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	36,886	36,886	-0-
346	Communication Equipment	1,041	1,041	-0-
347	Miscellaneous Equipment	11,642	8,872	2,770
348	Other Tangible Plant	16,162	11,243	4,919
	TOTALS	1,138,913	832,344	306,569

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

COMPANY NAME

Verde Lakes Water Corporation

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	137,497		
304	Structures and Improvements	77,615	2.31%	1,793
307	Wells and Springs	29,423	1.87%	550
311	Pumping Equipment	84,394	.27%	225
320	Water Treatment Equipment	56,440	4.94%	2,788
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	213,583	2.56%	5,475
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	333,786	.42%	1,386
333	Services	30,772	1.43%	439
334	Meters and Meter Installations	56,256		
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	13,370	5.42%	725
340.1	Computers & Software	8,236	3.84%	316
341	Transportation Equipment	31,810		
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	36,886		
346	Communication Equipment	1,041		
347	Miscellaneous Equipment	11,642	3.23%	376
348	Other Tangible Plant	16,162	12.18%	1,968
	SUBTOTAL	1,138,913		
	LESS CIAC Amortization			
	TOTALS *	1,138,913		16,041

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

COMPANY NAME

Verde Lakes Water Corporation

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 40,646	\$ 56,071
134	Working Funds		
135	Temporary Cash Investments	134,331	134,501
141	Customer Accounts Receivable	6,983	8,977
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	13,500	13,500
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 195,460	\$ 213,049
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,151,928	\$ 1,138,913
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(831,254)	(832,344)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 320,674	\$ 306,569
	TOTAL ASSETS	\$ 516,134	\$ 519,618

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

COMPANY NAME

Verde Lakes Water Corporation

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 2,848	\$ 3,518
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	12,725	12,641
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 15,573	\$ 16,159
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -0-	\$ -0-
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	7,040	5,742
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	\$ 7,040	\$ 5,742
	TOTAL LIABILITIES	\$ 22,613	\$ 21,901
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	493,521	497,717
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 493,521	\$ 497,717
	TOTAL LIABILITIES AND CAPITAL	\$ 516,134	\$ 519,618

COMPANY NAME

Verde Lakes Water Corporation

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 201,824	\$ 205,319
460	Unmetered Water Revenue		
474	Other Water Revenues	6,162	4,276
	TOTAL REVENUES	\$ 207,986	\$ 209,595
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 90,632	\$ 91,141
610	Purchased Water		
615	Purchased Power	20,804	23,629
618	Chemicals		
620	Repairs and Maintenance	21,144	17,905
621	Office Supplies and Expense	8,202	9,884
630	Outside Services	2,877	12,403
635	Water Testing	4,537	4,875
641	Rents		
650	Transportation Expenses	6,667	5,193
657	Insurance – General Liability	7,259	6,558
659	Insurance - Health and Life	6,000	8,434
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	16,238	16,041
408	Taxes Other Than Income	8,850	9,136
408.11	Property Taxes	13,198	12,767
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 206,408	\$ 217,966
	OPERATING INCOME/(LOSS)	\$ 1,578	\$ (8,371)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 201	\$ 201
421	Non-Utility Income	5,068	12,479
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(1,089)	(113)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 4,180	\$ 12,567
	NET INCOME/(LOSS)	\$ 5,758	\$ 4,196

COMPANY NAME

Verde Lakes Water Corporation

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	Verde Lakes Water Corporation
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
55-801447	10	90	250	10		1992
55-801449	3	25	189	6		1958
55-559150	10	90	390	8	4	1997
55-524344	10	100	184	10	4	1990
55-524343	10	95	200	10	4	1990

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7 1/2	9	N/A	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
49,000 GAL	2	5,000 GAL	4
125,000 GAL	1		
66,000 GAL 65,000 GAL	1 2		

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

COMPANY NAME	Verde Lakes Water Corporation
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3	P.V.C.	500
4	P.V.C.	2,600
5		
6	P.V.C.	17,700
8	P.V.C.	2,800
10	P.V.C.	1,200
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	783
3/4	N/A
1	3
1 1/2	2
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:

3 Chlorine Pumps
 2 Arsenic Removal Equipmant

STRUCTURES:

Big Valley - 1 Fleetrical Shed
 Dinkey Creek - 1 Fleetrical Shed
 Maple - 1 Pump Shed
 Stillwater - 1 Pump Shed - Fleetrical Shed

OTHER:

N/A

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

COMPANY NAME:	Verde Lakes Water Corporation
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	796	3,463	3,820	-0-
FEBRUARY	802	3,366	3,575	-0-
MARCH	803	3,527	4,401	-0-
APRIL	800	5,675	6,831	-0-
MAY	803	5,839	7,518	-0-
JUNE	802	7,399	8,333	-0-
JULY	799	8,345	9,050	-0-
AUGUST	802	5,309	5,876	-0-
SEPTEMBER	803	4,210	4,758	-0-
OCTOBER	809	4,798	5,103	-0-
NOVEMBER	806	3,673	3,830	-0-
DECEMBER	805	3,734	4,171	-0-
TOTALS →		59,338	67,266	-0-

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

13-513 - .026 mg/l

13-130 - .001 mg/l

13-059 - .013 mg/l

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: _____

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

COMPANY NAME:	Verde Lakes Water Corporation
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-	5	-0-
FEBRUARY	-0-	1	-0-
MARCH	-0-	1	-0-
APRIL	-0-	6	-0-
MAY	-0-	1	-0-
JUNE	-0-	7	-0-
JULY	-0-	5	-0-
AUGUST	-0-	5	-0-
SEPTEMBER	-0-	5	-0-
OCTOBER	-0-	4	-0-
NOVEMBER	-0-	1	-0-
DECEMBER	-0-	3	-0-
TOTALS →		44	

OTHER (description):

COMPANY NAME Verde lakes Water Corporation YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ 12,767.14

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

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Yavapai
NAME (OWNER OR OFFICIAL) TITLE	Alan Williams, Operations Manager
COMPANY NAME	Verde Lakes Water Corporation

APR 01 2015
AZ CORP COMM
Director - Utilities

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

FOR THE YEAR ENDING

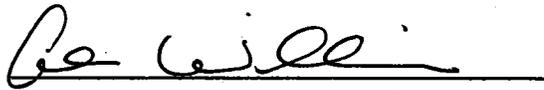
MONTH	DAY	YEAR
12	31	2014

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.

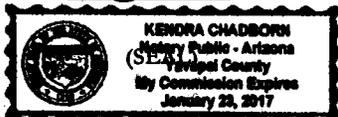

SIGNATURE OF OWNER OR OFFICIAL
928-300-0541
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30 DAY OF March

COUNTY NAME	Yavapai
MONTH	March 2015



MY COMMISSION EXPIRES Jan 23, 17


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 01 2015

**AZ CORP COMM
Director - Utilities**

VERIFICATION

STATE OF Arizona

COUNTY OF (COUNTY NAME)	<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Alan Williams, Operations Manager</u>
COMPANY NAME	<u>Verde Lakes Water Corporation</u>

I, THE UNDERSIGNED
OF THE

DO SAY THAT THIS ANNUAL UTILITY 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

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>228,960</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 19,365
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)**

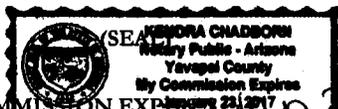
Alan Williams
SIGNATURE OF OWNER OR OFFICIAL
928-300-0541
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

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



MY COMMISSION EXPIRES 2/23/17

[Signature]
SIGNATURE OF NOTARY PUBLIC

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

RECEIVED

APR 01 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Alan Williams	TITLE Operations Manager
COMPANY NAME Verde Lakes Water Corporation	

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 \$ 228,960

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 19,365
IN SALES TAXES BILLED, OR COLLECTED)

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

Alan Williams
SIGNATURE OF OWNER OR OFFICIAL

928-300-0547
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

30

DAY OF

NOTARY PUBLIC NAME Kendra Chadborn	
COUNTY NAME Yavapai	
MONTH March	2015

(SEAL)

MY COMMISSION EXPIRES

Kendra Chadborn
SIGNATURE OF NOTARY PUBLIC

