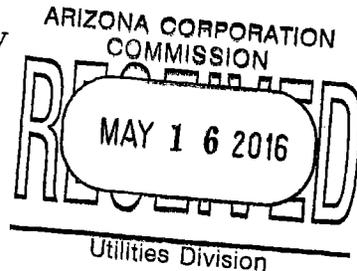


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02370A

Chino Meadows II Water Company
PO Box 350
Chino Valley, AZ 86323



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	2015
----	----	------

FOR COMMISSION USE

ANN 04	15
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5-16-16

COMPANY INFORMATION

Company Name (Business Name) Chino Meadows Water Company

Mailing Address PO BOX 350
(Street)

Chino
Valley AZ 86323
(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

Local Office Mailing Address Same
(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** cmiiwc.com

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Paul D Levie Owner
(Name) (Title)

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)

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: Paul D Levie _____
 (Name)

PO BOX 350 **Chino Valley** **AZ** **86323**
 (Street) (City) (State) (Zip)

928-171-2616 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 Chino Meadows II Water CO

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	6843.02	6843.02	0
302	Franchises			
303	Land and Land Rights	15204.06	0	15204.06
304	Structures and Improvements	44339.01	42624.13	1714.88
305	Collecting & Impounding Reservoirs	4349.74	3976.01	373.73
306	Lake, River, Canal Intakes			
307	Wells and Springs	27448.37	27166.07	282.30
308	Infiltration Galleries			
309	Raw Water Supply Mains	1009.21	996.70	12.51
310	Power Generation Equipment	12925.62	1821.77	11103.85
311	Pumping Equipment	46795.44	41258.94	5536.50
320	Water Treatment Equipment	6406.03	4751.91	1654.12
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes	51683.88	51683.88	0
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	304674.18	250218.52	54455.66
333	Services	30067.16	27526.67	2540.49
334	Meters and Meter Installations	88637.12	71472.32	17164.80
335	Hydrants	12041.55	11578.42	463.13
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	16727.91	10244.56	6483.35
340	Office Furniture and Equipment	9346.02	8436.60	909.42
340.1	Computers & Software			
341	Transportation Equipment	96568.67	64146.32	32422.35
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	1292.95	936.09	356.86
344	Laboratory Equipment			
345	Power Operated Equipment	31460.65	27084.22	4376.43
346	Communication Equipment	36035.65	22593.55	13422.10
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	843856.24	675359.70	168596.54

COMPANY NAME Chino Meadows II Water CO

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	6843.02	0%	0
302	Franchises			
303	Land and Land Rights	15204.06	0%	0
304	Structures and Improvements	44339.01	5%	2216.95
305	Collecting & Impounding Reservoirs	4349.74	5%	217.49
307	Wells & Springs	27448.37	3%	823.45
309	Raw Water Supply Mains	1009.21	5%	50.46
310	Power Generation Equipment	12925.62	3%	387.77
311	Pumping Equipment	46795.44	4%	1871.82
320	Water Treatment Equipment	6406.03	5%	320.30
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes	51683.88	2%	780.46
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	304674.18	2%	6093.48
333	Services	30067.16	4%	1202.69
334	Meters and Meter Installations	88637.12	3%	2659.11
335	Hydrants	12041.55	5%	602.08
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	16727.91	5%	863.40
340	Office Furniture and Equipment	9346.02	3%	280.38
340.1	Computers & Software			
341	Transportation Equipment	96568.67	7%	6759.81
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	1292.95	5%	64.65
344	Laboratory Equipment			
345	Power Operated Equipment	31460.65	5%	1573.03
346	Communication Equipment	36035.65	8%	2882.85
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	SUBTOTAL	843856.24		29903.40
	LESS CIAC Amortization			
	TOTALS *	843856.24		29903.40

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



COMPANY NAME Chino Meadows II Water CO

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$(9614.47)	\$4854.70
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	37615.83	17939.94
142	PrePaid Federal Income Tax	1964.46	
146	Notes/Receivables from Associated Companies	8205.43	3474.41
151	Plant Material and Supplies	3023.81	3023.81
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$41195.06	\$29292.86
	FIXED ASSETS		
101	Utility Plant in Service	\$843312.35	\$851135.80
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(645709.52)	(675539.70)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$197602.83	\$175596.10
	TOTAL ASSETS	\$238797.89	\$204888.96

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

COMPANY NAME Chino Meadows II Water CO

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$1699.82	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	33926.38	59616.50
235	Customer Deposits	9886.51	11292.01
236	Accrued Taxes	2027.57	4575.62
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	802.54	831.21
	TOTAL CURRENT LIABILITIES	\$48342.82	\$76365.34
	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	10679.19	9604.69
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	31477.69	31477.69
272	Less: Amortization of Contributions	(2630.87)	(2630.87)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$39526.01	\$38451.51
	TOTAL LIABILITIES	\$87868.83	\$114816.85
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$8597.00	\$8597.00
211	Paid in Capital in Excess of Par Value	80266.00	80266.00
215	Retained Earnings	106171.55	84402.12
216	Treasury Stock		(28200.00)
218	Proprietary Capital (Sole Props and Partnerships)	(43102.27)	(54993.01)
	TOTAL CAPITAL	\$151932.28	\$90072.11
	TOTAL LIABILITIES AND CAPITAL	\$239801.11	\$204888.96

COMPANY NAME Chino Meadows II Water CO

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$346439.43	\$319128.98
460	Unmetered Water Revenue		
474	Other Water Revenues	11341.39	10890.35
	TOTAL REVENUES	\$357780.82	\$330019.33
	OPERATING EXPENSES		
601	Salaries and Wages	\$159779.07	\$142700.39
610	Purchased Water	0	
615	Purchased Power	24563.63	27415.45
618	Chemicals	779.91	378.99
620	Repairs and Maintenance	10048.94	12130.40
621	Office Supplies and Expense	22792.69	32811.25
630	Outside Services	8060.24	10380.88
635	Water Testing	4263.14	6395.40
641	Rents	13200.00	13200.00
650	Transportation Expenses	27705.65	21874.38
655	Insurance - General Liability	9424.75	8884.55
659	Insurance - Health and Life	3776.93	
665	Regulatory Commission Expense - Rate Case	26428.50	32313.14
675	Miscellaneous Expense	5520.68	14820.34
403	Depreciation Expense	29855.30	29903.40
408	Taxes Other Than Income	0	18.27
408.11	Property Taxes	23281.75	
409	Income Tax	1146.14	
	TOTAL OPERATING EXPENSES	\$370627.32	\$381314.90
	OPERATING INCOME/(LOSS)	\$(12846.50)	\$(51295.57)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(662.45)	779.47
	TOTAL OTHER INCOME/(EXPENSE)	\$(662.45)	\$(779.47)
	NET INCOME/(LOSS)	\$(13508.95)	\$(520748.04)

COMPANY NAME Chino Meadows Water II 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
55-552320	15	225	355	10	3	1995
55-613770	20	250	450	12	3	1982

* 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
15	4	7	3
25	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
67000	1	5000	2
20000	1		
10000	2		

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

COMPANY NAME Chino Meadows II Water Co	
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3	PVC	664
4	PVC	27902
5		
6	PVC \$& DLP	50481
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	1103
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:
TREATMENT EQUIPMENT:

- (2) Chlorination Pump Systems

STRUCTURES:
STRUCTURES:

- (1) Shop Building Quonset Hut; Metal 26'x38'
- (2) Well House Structures; Wood 8'x8' and 6'x15'
- (1) Application Shed; Wood 8'x8'
- (2) Pump/Pressure Tank Buildings; Wood 10'x12' and Block 16'x20'
- (1) Storage Building; Block 20'x20'

OTHER:

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

COMPANY NAME: Chino Meadows II Water Co	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	918	3,900,000	5,200,000	0
FEBRUARY	923	3,700,000	4,000,000	0
MARCH	914	3,900,000	5,200,000	0
APRIL	931	4,900,000	5,300,000	0
MAY	919	4,100,000	4,600,000	0
JUNE	921	5,500,000	6,800,000	0
JULY		6,000,000	7,700,000	0
AUGUST	926	5,100,000	6,000,000	0
SEPTEMBER	927	5,400,000	7,000,000	0
OCTOBER	929	4,800,000	5,900,000	0
NOVEMBER	923	3,600,000	5,500,000	0
DECEMBER	926	3,900,000	4,700,000	0
TOTALS →		54,800,000	61,900,000	0

What is the level of arsenic for each well on your system? _____ mg/l 55-613770=.006 mg/l
55-552320=.006 mg/l

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

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 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: Chino Meadows II 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		20	
FEBRUARY		6	
MARCH		2	
APRIL		19	
MAY		0	
JUNE		15	
JULY		10	
AUGUST		4	
SEPTEMBER		5	
OCTOBER		6	
NOVEMBER		8	
DECEMBER		8	
TOTALS →		103	0

OTHER (description):

COMPANY NAME Chino Meadows Water Co YEAR ENDING 12/31/2015

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 7380.55 Partial Payment _____

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

ARIZONA CORPORATION
COMMISSION
RECEIVED
MAY 16 2016

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Yavapai	Utilities Division
NAME (OWNER OR OFFICIAL) TITLE Paul D Levie	
COMPANY NAME Chino Meadows II Water Co	

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	2015

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

TELEPHONE NUMBER

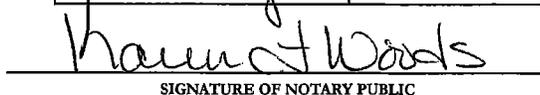
SUBSCRIBED AND SWORN TO BEFORE ME

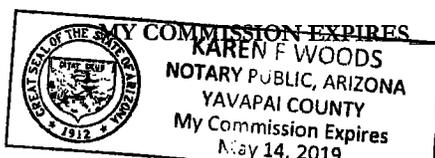
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS DAY OF

COUNTY NAME	Yavapai
MONTH	May 2016

(SEAL)


SIGNATURE OF NOTARY PUBLIC



5-14-2019

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION
RECEIVED
MAY 16 2016
Utilities Division

**VERIFICATION
STATE OF Arizona
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>Chino Meadows II Water Co</u>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2015

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 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$ <u>366728.18</u>
--

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 36708.85
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

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11 DAY OF

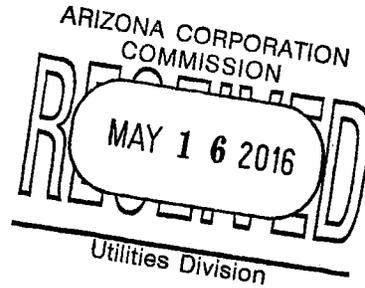
COUNTY NAME <u>Yavapai</u>
MONTH <u>May</u> 20 <u>16</u>



**KAREN F WOODS
NOTARY PUBLIC, ARIZONA
COMMISSION EXPIRES 5-14-2019
My Commission Expires
May 14, 2019**


SIGNATURE OF NOTARY PUBLIC

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



VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) Chino Meadows II Water Co	
NAME (OWNER OR OFFICIAL) Paul D Levie	TITLE Owner
COMPANY NAME Chino Meadows II Water Co	

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	2015

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 2015 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>366728.18</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 36708.85 IN SALES TAXES BILLED, OR COLLECTED)

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

Paul D Levie
SIGNATURE OF OWNER OR OFFICIAL

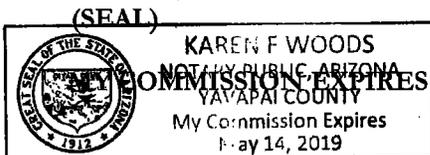
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11 DAY OF

NOTARY PUBLIC NAME	<i>Karen F Woods</i>
COUNTY NAME	<i>Yavapai</i>
MONTH	<i>May</i> .20 <u>16</u>



Karen F Woods
SIGNATURE OF NOTARY PUBLIC