

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01472A

Mormon Lake Water Co.
PO Box 29041
Phoenix, AZ 85038

RECEIVED

APR 19 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:

ANNUAL REPORT

Water

FOR YEAR ENDING

12	31	2015
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FOR COMMISSION USE

ANN 04	15
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4-28-16

COMPANY INFORMATION

Company Name (Business Name) Mormon Lake Water Company

Mailing Address P.O. Box 29041 (Please mail all forms to this address)

(Street)

Phoenix

(City)

AZ

(State)

85038-9041

(Zip)

(480)998 8888

Telephone No. (Include Area Code)

(480) 607-8644

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address P.O. Box 38012

(Street)

Mormon Lake

(City)

AZ

(State)

86038

(Zip)

(928) 354-2227

Local Office Telephone No. (Include Area Code)

(928) 354-2356

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Scott Gold President

(Name)

(Title)

P.O. Box 38012

(Street)

Mormon Lake

(City)

AZ

(State)

86038

(Zip)

(928) 354-2227

Telephone No. (Include Area Code)

(928) 354-2356

Fax No. (Include Area Code)

(602) 593-9390

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Jim Sorgatz

(Name)

P.O. Box 38012

(Street)

Mormon Lake

(City)

AZ

(State)

86038

(Zip)

(928) 354-2227

Telephone No. (Include Area Code)

(928) 354-2356

Fax No. (Include Area Code)

(602) 593-9390

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Navaz Ghaswala

(Name)

7501 E. McCormick Pkwy

(Street)

Scottsdale

(City)

AZ

(State)

85258

(Zip)

(480) 998-8888

Telephone No. (Include Area Code)

(480) 998-8887

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Dan Muchow, Quarles & Brady Streich Lang

(Name)

One Renaissance Square, 2 N. Central Ave. Phoenix

(Street)

(City)

AZ

(State)

85004

(Zip)

(602) 229-5704

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

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 type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input checked="" 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: MORMON LAKE WATER COMPANY

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			
304	Structures and Improvements	15,257	11,990	3,267
307	Wells and Springs	39,209	34,062	5,147
311	Pumping Equipment	19,099	5,973	13,126
320	Water Treatment Equipment	12,356	10,303	2,053
330	Distribution Reservoirs and Standpipes	21,561	17,892	3,669
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	25,109	22,808	2,301
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	44,817	43,871	946
340	Office Furniture and Equipment	1,959	1,593	366
341	Transportation Equipment	9,987	9,987	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	3,932	1,933	1,999
348	Other Tangible Plant			
	TOTALS	193,286	160,412	32,874

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

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	15,257	.01363	208
307	Wells and Springs	39,209	.01892	742
311	Pumping Equipment	19,099	.05	955
320	Water Treatment Equipment	12,356	.02671	330
330	Distribution Reservoirs and Standpipes	21,561	.02319	500
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	25,109	.05	1,255
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	44817	.00187	84
340	Office Furniture and Equipment	1,959	.11026	216
341	Transportation Equipment	9,987	.00	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	3,932	.0406	160
348	Other Tangible Plant			
	TOTALS	193,286		4,450

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

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 134,584	\$ 155,029
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 1,768	\$ 2,000
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	\$ 0	\$ 0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 136,352	\$ 157,029
	FIXED ASSETS		
101	Utility Plant in Service	\$ 192,336	\$ 193,286
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	\$ (155,962)	\$ (160,412)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 36,374	\$ 32,874
	TOTAL ASSETS	\$ 172,726	\$189,903

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

COMPANY NAME: MORMON LAKE WATER COMPANY**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 1,015	\$ 1,023
232	Notes Payable (Current Portion)	\$ 0	\$ 0
234	Notes/Accounts Payable to Associated Companies	\$ 0	\$ 0
235	Customer Deposits		
236	Accrued Taxes	\$ 31	\$ 3,861
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	\$ 2,067	\$ 3,780
	TOTAL CURRENT LIABILITIES	\$ 3,113	\$ 8,664
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
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		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 3,113	\$ 8,664
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100	\$ 100
211	Paid in Capital in Excess of Par Value	\$ 353,518	\$ 353,518
215	Retained Earnings	\$ (184,005)	\$ (172,379)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 169,613	\$ 181,239
	TOTAL LIABILITIES AND CAPITAL	\$172,726	\$189,903

COMPANY NAME: MORMON LAKE WATER COMPANY**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 69,065	\$ 65,605
460	Unmetered Water Revenue		
474	Other Water Revenues	\$ 360	\$ 50
	TOTAL REVENUES	\$ 69,425	\$ 65,655
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	\$ 0	\$ 0
615	Purchased Power	\$ 3,060	\$ 3,019
618	Chemicals	\$ 1,825	\$ 2,108
620	Repairs and Maintenance	\$ 20,443	\$ 20,069
621	Office Supplies and Expense	\$ 968	\$ 869
630	Outside Services	\$ 16,137	\$ 17,935
635	Water Testing	\$ 789	\$ 450
641	Rents	\$ 1	\$ 0
650	Transportation Expenses	\$ 62	\$ 101
657	Insurance – General Liability	\$ 309	\$ 266
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	\$ 910	\$ 851
403	Depreciation Expense	\$ 4,902	\$ 4,450
408	Taxes Other Than Income	\$ 0	\$ 458
408.11	Property Taxes	\$ 2,030	\$ 2,047
409	Income Tax	\$ 600	\$ 1,547
	TOTAL OPERATING EXPENSES	\$ 52,036	\$ 54,170
	OPERATING INCOME/(LOSS)	\$ 17,389	\$ 11,485
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	\$ 199	\$ 144
426	Miscellaneous Non-Utility Expenses	\$ 0	\$ 0
427	Interest Expense	\$ 0	\$ 0
	TOTAL OTHER INCOME/(EXPENSE)	\$ 199	\$ 144
	NET INCOME/(LOSS)	\$ 17,588	\$ 11,629

COMPANY NAME: MORMON LAKE WATER COMPANY

Name of System

ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-608464	1/2	8	67	6	5/8 x 3/4	1972
55-564454	1/2	8	105	5	5/8 x 3/4	1997
55-564838	1/2	7	114	5	5/8 x 3/4	1997
55-518665	1/2	8	105	6	5/8 x 3/4	1987

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Mormon Lake Lodge	40	0
Pearson Water Company	N/A	0

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
3	1	N/A	N/A
2	2		
1	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15000	2	40	1
12000	2	32	1

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

COMPANY NAME: MORMON LAKE WATER COMPANY

Name of System **ADEQ Public Water System Number (if applicable)**

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Galvanized	2500
3		
4		
5		
6		
8		
10		
12		
2.5	PVC	1050
2	PVC	1500
1	Poly	9300
1	Poly	1100

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	133
3/4	
1	2
1 1/2	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:

2 - 50 GPM green sand iron filters
2 - liquid chlorinators
1- 50 GPM multi-media final filters

STRUCTURES:

1 pump house 16 x 20
1 pump house 4 x 4

OTHER:

LPG Generator

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

COMPANY NAME: MORMON LAKE WATER COMPANY

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

OTHER (description):

COMPANY NAME: MORMON LAKE WATER COMPANY YEAR ENDING 12/31/2015

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 2,046.92

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. N/A

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 19 2016

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Navaz Ghaswala, Vice Pres./Secretary</u>
COMPANY NAME	<u>Mormon Lake Water Company</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
<u>12</u>	<u>31</u>	<u>2015</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

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.

Navaz Ghaswala
SIGNATURE OF OWNER OR OFFICIAL
480-998-8888
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

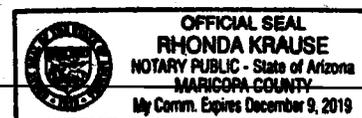
THIS 8 DAY OF April

COUNTY NAME	<u>Maricopa</u>	
MONTH	<u>April</u>	<u>2016</u>



Rhonda Krause
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES December 9, 2019



COMPANY NAME Mormon Lake Water Company

YEAR ENDING 12/31/2015

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 14,492
Estimated or Actual State Tax Liability 870

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

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.

Navaz Ghaswala
SIGNATURE

4/8/16
DATE

NAVAZ GHASWALA
PRINTED NAME

VICE PRES. /SECRETARY
TITLE

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 19 2016

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Navaz Ghaswala, Vice Pres./Secretary</u>
COMPANY NAME	<u>Mormon Lake Water Company</u>

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>2015</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 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 65,655

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 458
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)

Navaz Ghaswala
SIGNATURE OF OWNER OR OFFICIAL
480-998-8888
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

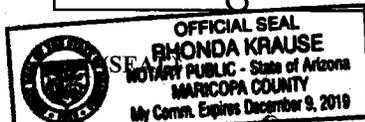
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

8th

DAY OF

COUNTY NAME	<u>maricopa</u>	
MONTH	<u>April</u>	<u>2016</u>



Rhonda Krause
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES December 9, 2019

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

RECEIVED

APR 19 2016
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Maricopa County	
NAME (OWNER OR OFFICIAL) Navaz Ghaswala	TITLE Vice Pres./ Secretary
COMPANY NAME Mormon Lake 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 2015 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>62,652</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 434 IN SALES TAXES BILLED, OR COLLECTED)

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

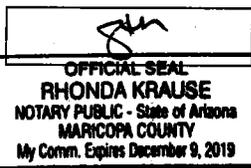
Navaz Ghaswala
SIGNATURE OF OWNER OR OFFICIAL

480-998-8888
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

NOTARY PUBLIC NAME Rhonda Krause	
COUNTY NAME Maricopa	
MONTH April	2016

MY COMMISSION EXPIRES

December 9, 2019

X Rhonda Krause
SIGNATURE OF NOTARY PUBLIC