

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 16 2013

AZ CORP COMM
Director - Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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4-18-13

Statutory Agent: Navaz Ghaswala
(Name)
7501 E. McCormick Pkwy Scottsdale AZ 85258
(Street) (City) (State) (Zip)

(480) 998-8888 (480) 998-8887
Telephone No. (Include Area Code) 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 AZ 85004
(Street) (City) (State) (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	17,257	13,295	3,962
307	Wells and Springs	39,209	34,750	4,459
311	Pumping Equipment	19,099	4,220	14,879
320	Water Treatment Equipment	12,356	9,497	2,859
330	Distribution Reservoirs and Standpipes	21,561	16,177	5,384
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	25,109	20,080	5,029
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	43,867	43,867	0
340	Office Furniture and Equipment	1,446	688	758
341	Transportation Equipment	9,987	3,992	5,995
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	3,932	1,380	2,552
348	Other Tangible Plant			
	TOTALS	193,823	147,946	45,877

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	17,257	.012	208
307	Wells and Springs	39,209	.01892	742
311	Pumping Equipment	19,099	.05	954
320	Water Treatment Equipment	12,356	.02671	330
330	Distribution Reservoirs and Standpipes	21,561	.04137	892
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	43,867	.00	0
340	Office Furniture and Equipment	1,446	.05	73
341	Transportation Equipment	9,987	.05	499
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	3,932	.05	197
348	Other Tangible Plant			
	TOTALS	193,823		5,150

This amount 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	\$ 94,671	\$ 97,893
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 502	\$ 2,114
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	\$ 95,173	\$ 100,007
	FIXED ASSETS		
101	Utility Plant in Service	\$ 187,577	\$ 193,823
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	\$ (142,795)	\$ (147,946)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 44,782	\$ 45,877
	TOTAL ASSETS	\$ 139,955	\$145,884

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	\$ 1,277	\$ 1,020
232	Notes Payable (Current Portion)	\$ 0	\$ 0
234	Notes/Accounts Payable to Associated Companies	\$ 0	\$ 0
235	Customer Deposits		
236	Accrued Taxes	\$ 493	\$ 31
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	\$ 11,947	\$ 3,444
	TOTAL CURRENT LIABILITIES	\$ 13,717	\$ 4,495
	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	\$ 13,717	\$ 4,495
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100	\$ 100
211	Paid in Capital in Excess of Par Value	\$ 353,518	\$ 353,518
215	Retained Earnings	\$ (227,380)	\$ (212,229)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 126,238	\$ 141,389
	TOTAL LIABILITIES AND CAPITAL	\$139,955	\$145,884

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

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 69,054	\$ 66,784
460	Unmetered Water Revenue		
474	Other Water Revenues	\$ 270	\$ 300
	TOTAL REVENUES	\$ 69,324	\$ 67,084
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	\$ 0	\$ 0
615	Purchased Power	\$ 2,107	\$ 2,354
618	Chemicals	\$ 681	\$ 912
620	Repairs and Maintenance	\$ 16,165	\$ 20,821
621	Office Supplies and Expense	\$ 1,413	\$ 961
630	Outside Services	\$ 16,056	\$ 15,110
635	Water Testing	\$ 640	\$ 970
641	Rents	\$ 0	\$ 0
650	Transportation Expenses	\$ 153	\$ 79
657	Insurance – General Liability	\$ 407	\$ 346
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	\$ 1,953	\$ 1,041
403	Depreciation Expense	\$ 4,839	\$ 5,150
408	Taxes Other Than Income	\$ 45	\$ 1,059
408.11	Property Taxes	\$ 1,737	\$ 2,041
409	Income Tax	\$ 0	\$ 1,363
	TOTAL OPERATING EXPENSES	\$ 46,196	\$ 52,207
	OPERATING INCOME/(LOSS)	\$ 23,128	\$ 14,877
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	\$ 243	\$ 274
426	Miscellaneous Non-Utility Expenses	\$ 0	\$ 0
427	Interest Expense	\$ 0	\$ 0
	TOTAL OTHER INCOME/(EXPENSE)	\$ 243	\$ 274
	NET INCOME/(LOSS)	\$ 23,371	\$ 15,151

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	\$ 0
Meter Deposits Refunded During the Test Year	\$ 0

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	
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		1	
MARCH			
APRIL			
MAY		1	
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER		1	
NOVEMBER			
DECEMBER			
TOTALS →		3	

OTHER (description):

COMPANY NAME: MORMON LAKE WATER COMPANY YEAR ENDING 12/31/2012

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 2,040.92

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**

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APR 16 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

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

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

FOR THE YEAR ENDING

<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
12	31	2012

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
480-998-8888

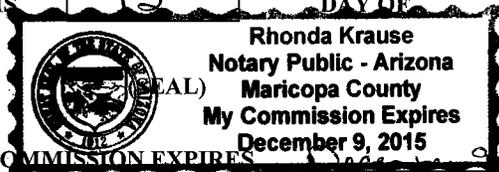
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 DAY OF

<small>COUNTY NAME</small> maricopa	
<small>MONTH</small> April	,2013





SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES December 9, 2015

COMPANY NAME Mormon Lake Water Company

YEAR ENDING 12/31/2012

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 19,650
Estimated or Actual State Tax Liability 1,369

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

4/12/2013
DATE

NAVAZ GHASWALA
PRINTED NAME

VICE PRES. /SECRETARY
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 16 2013

AZ CORP COMM
Director - Utilities

**VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME)	Maricopa
NAME (OWNER OR OFFICIAL) TITLE	Navaz Ghaswala, 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	2012

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.

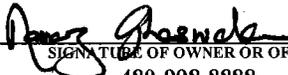
SWORN STATEMENT

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 2012 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>66,784</u>

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
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)**



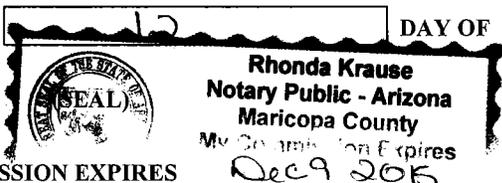
 SIGNATURE OF OWNER OR OFFICIAL
 480-998-8888

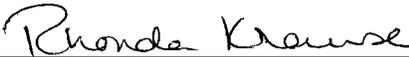
 TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	, <u>2013</u>

THIS 12 DAY OF





 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

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

RECEIVED

APR 16 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

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

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	2012

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 2012 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>63.614</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 0 IN SALES TAXES BILLED, OR COLLECTED)

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

Navaz Ghaswala
SIGNATURE OF OWNER OR OFFICIAL

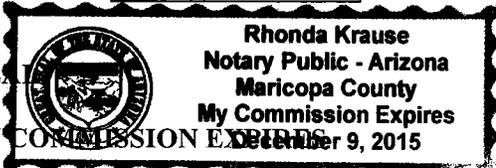
480-998-8888
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 DAY OF

NOTARY PUBLIC NAME Rhonda Krause	
COUNTY NAME Maricopa	
MONTH April	, 20 13

(SEAL) 

X Rhonda Krause
SIGNATURE OF NOTARY PUBLIC