

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02658A

McNeal Water Company
PO Box 12776
Ft. Huachuca, AZ 85670-2776

RECEIVED
MAY 19 2015
ACC UTILITIES DIRECTOR

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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5-19-15

COMPANY INFORMATION

Company Name (Business Name) McNeal Water Company

Mailing Address P.O. Box 12776
(Street)

Ft. Huachuca AZ 85670-2776
(City) (State) (Zip)

520-405-9368 520-405-9368
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address neil.public@cox.net

Local Office Mailing Address (Same)
(Street)

(Same) (Same) (Same)
(City) (State) (Zip)

520-405-9368
Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)

Email Address neil.public@cox.net **Website address (None)** _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Neil Petersen
(Name) (Title)

P.O. Box 12776 Ft. Huachuca AZ 85670-2776
(Street) (City) (State) (Zip)

520-405-9368
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address neil.public@cox.net

On Site Manager: (None)
(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: Richard Block

(Name)

1660 E. River Road Ste. 180

Tucson

AZ

85717

(Street)

(City)

(State)

(Zip)

520-577-7512

520-577-7599

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 type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>Trust</u> | |

COUNTIES SERVED

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

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" 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 type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	0	**	
302	Franchises	0		
303	Land and Land Rights	1,325		
304	Structures and Improvements	615		
307	Wells and Springs	15,137		
311	Pumping Equipment	17,973		
320	Water Treatment Equipment	566		
320.1	Water Treatment Plants	0		
320.2	Solution Chemical Feeders	0		
330	Distribution Reservoirs and Standpipes	6,647		
330.1	Storage Tanks	0		
330.2	Pressure Tanks	0		
331	Transmission and Distribution Mains	12,086		
333	Services	1,583		
334	Meters and Meter Installations	1,909		
335	Hydrants	100		
336	Backflow Prevention Devices	0		
339	Other Plant and Misc. Equipment	0		
340	Office Furniture and Equipment	1,518		
340.1	Computers & Software	2,205		
341	Transportation Equipment	2,500		
343	Tools, Shop and Garage Equipment	879		
344	Laboratory Equipment	107		
345	Power Operated Equipment	0		
346	Communication Equipment	303		
347	Miscellaneous Equipment	461		
348	Other Tangible Plant	0		
	TOTALS	65,914	63,398	2,516

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

**Based on a reading of AZ Corp. Commission Jan 28, 1991, Depreciation Rule A.A.C. R14-2-102 Docket No. R-000-90-367, water companies with less than \$250,000 in annual revenues don't have to maintain depreciation records by separate accounts but shall make composite accruals to accumulated depreciation for total depreciable plant.

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			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	7,166	12.5	896
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	632	8.33	53
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1,518	6.67	101
340.1	Computers & Software	2,205	20	441
341	Transportation Equipment	2,500	20	500
343	Tools, Shop and Garage Equipment	314	5	16
344	Laboratory Equipment	107	10	11
345	Power Operated Equipment			
346	Communication Equipment	303	10	30
347	Miscellaneous Equipment	461	10	46
348	Other Tangible Plant			
	SUBTOTAL	15,206		2,094
	LESS CIAC Amortization			
	TOTALS *	15,206		2,094

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

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$8,647	\$0
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	5,085	4953
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	332	332
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$14,064	\$5,285
	FIXED ASSETS		
101	Utility Plant in Service	\$65,309	\$65,914
103	Property Held for Future Use	0	0
105	Construction Work in Progress	18,100	18,100
108	Accumulated Depreciation – Utility Plant	61,304	63,398
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$22,105	\$20,616
	TOTAL ASSETS	\$36,169	\$25,901

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

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$0	\$0
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	910	910
236	Accrued Taxes	0	0
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$910	\$910
	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	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	15,000	15,000
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$15,000	\$15,000
	TOTAL LIABILITIES	\$15,910	\$15,910
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$0	\$0
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	0	0
218	Proprietary Capital (Sole Props and Partnerships)	20,259	9,991
	TOTAL CAPITAL	\$20,259	\$9,991
	TOTAL LIABILITIES AND CAPITAL	\$36,169	\$25,901

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$12,072	\$10,993
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	60	180
	TOTAL REVENUES	\$12,132	\$11,173
	OPERATING EXPENSES		
601	Salaries and Wages	\$0	\$0
610	Purchased Water	0	0
615	Purchased Power	1,212	1,180
618	Chemicals	0	25
620	Repairs and Maintenance	346	1,338
621	Office Supplies and Expense	1,646	1,355
630	Outside Services	3,446	13,401
635	Water Testing	612	1,208
641	Rents	150	960
650	Transportation Expenses	2,638	4,565
657	Insurance – General Liability	1,642	869
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense – Rate Case	0	0
675	Miscellaneous Expense	25	24
403	Depreciation Expense	2,049	2,094
408	Taxes Other Than Income	0	0
408.11	Property Taxes	588	338
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$14,353	\$25,313
	OPERATING INCOME/(LOSS)	\$(2,221)	\$(16,234)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	(54)
	TOTAL OTHER INCOME/(EXPENSE)	\$0	\$(54)
	NET INCOME/(LOSS)	\$(2,221)	\$(16,288)

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 \$910.00

Meter Deposits Refunded During the Test Year \$ 556.62

COMPANY NAME McNeal Water Company	
Name of System: McNeal Water Company	ADEQ Public Water System Number: 02016

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-632576	5	30	290	14	5/8	1956

* 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
		0	4

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
		1000	1

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

COMPANY NAME McNeal Water Company	
Name of System: McNeal Water Company	ADEQ Public Water System Number: 02016

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	2,500
3	PVC/Steel	10,500
4	Steel	2,000
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	26
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:

STRUCTURES:

Link Fencing

OTHER:

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

COMPANY NAME: McNeal Water Company

Name of System: McNeal Water Company

ADEQ Public Water System Number: 02016

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	23	95	105	
FEBRUARY	23	116	126	
MARCH	23	153	165	
APRIL	23	281	309	
MAY	24	225	239	
JUNE	23	229	250	
JULY	23	125	135	
AUGUST	24	139	147	
SEPTEMBER	24	110	117	
OCTOBER	24	112	118	
NOVEMBER	23	123	130	
DECEMBER	23	132	139	
TOTALS →		1,842	1,981	

What is the level of arsenic for each well on your system? 0.003 mg/l

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

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: McNeal Water Company

Name of System: McNeal Water Company

ADEQ Public Water System Number: 02016

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL		1	
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →	0	1	0

OTHER (description):

COMPANY NAME McNeal Water Company YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ 337.88

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
MAY 04 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) COCHISE
NAME (OWNER OR OFFICIAL) TITLE Neil Petersen, Trustee, Petersen Trust UTD 7-21-98
COMPANY NAME McNeal 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
 520-405-9368

 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

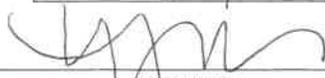
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15TH DAY OF

COUNTY NAME	COCHISE COUNTY	
MONTH	MAY	2015

(SEAL)

MY COMMISSION EXPIRES 08/31/2016



 SIGNATURE OF NOTARY PUBLIC


YOLIE FARMER
 Notary Public - State of Arizona
 COCHISE COUNTY
 My Commission Expires
 August 31, 2016

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 04 2015

**AZ CORP COMM
Director - Utilities**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) COCHISE
NAME (OWNER OR OFFICIAL) TITLE Neil Petersen, Trustee, Petersen Trust UTD 7-21-98
COMPANY NAME McNeal 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 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>11,847</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 674 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)**

Neil Petersen

SIGNATURE OF OWNER OR OFFICIAL
520-405-9368

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15TH DAY OF

COUNTY NAME <u>COCHISE COUNTY</u>
MONTH <u>MAY</u> <u>2015</u>

(SEAL)

MY COMMISSION EXPIRES 08/31/2016

Yolie Farmer

SIGNATURE OF NOTARY PUBLIC



YOLIE FARMER
Notary Public - State of Arizona
COCHISE COUNTY
My Commission Expires
August 31, 2016

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

RECEIVED

MAY 04 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) COCHISE	
NAME (OWNER OR OFFICIAL) Neil Petersen	TITLE Trustee, Petersen Trust UTD 7-21-98
COMPANY NAME McNeal 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	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
\$ <u>11,847</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 674
IN SALES TAXES BILLED, OR COLLECTED)

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

Neil Petersen
SIGNATURE OF OWNER OR OFFICIAL

520-405-9368
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15

DAY OF

NOTARY PUBLIC NAME <i>Jolie Farmer</i>
COUNTY NAME <i>COCHISE COUNTY</i>
MONTH <i>MAY</i> 20 <i>15</i>

(SEAL)



MY COMMISSION EXPIRES *08/31/2016*

Jolie Farmer
SIGNATURE OF NOTARY PUBLIC