



0000155534



**Water Solutions**

25213 North 49<sup>th</sup> Drive  
Phoenix, Arizona 85083

**RECEIVED**

Direct: (623) 341-4771

Fax: (623) 582-5160

2014 AUG 25 P 3 38

AZ CORP COMMISSION  
DOCKET CONTROL

August 25, 2014

Mr. James Armstrong  
Chief of Financial & Regulatory Analysis  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007-2927

Arizona Corporation Commission  
**DOCKETED**

AUG 25 2014

RE: Docket No. W-02370A-14-0231  
Chino Meadows II Water Co., Inc.  
Application for Rate Increase  
Response to Letter of Deficiency

DOCKETED BY

Dear Mr. Armstrong;

This letter and supplemental materials attached are being provided in response to the Letter of Deficiency dated July 24, 2014. The numbered items below correspond to the numbered items on the Deficiency List provided with the Letter of Deficiency.

1. Please accept my apology for not including the required schedules with the original filing. I had assumed that attaching computer generated schedules providing the equivalent information would meet the requirements of the Short Form Application.

As requested, the required schedules contained in the Short Form Application have been completed in their entirety and are attached as Supplement No. 1 to this letter. The attached pages from the Short Form Application should replace the previously provided pages.

Specifically, the following replacement pages from the Short Form Application are attached:

- Table of Contents
- Page 3
- Page 4
- Page 6
- Page 9
- Page 11
- Page 13 (2 sheets numbered 13A – 13B)
- Page 14

**ORIGINAL**

Page 15  
Page 18  
Page 19  
Page 20  
Page 21  
Page 22  
Page 23  
Page 24  
Page 25  
Page 27  
Page 28  
Page 29  
Page 29

In addition all attachments to the rate application have been updated and are attached as Supplement No. 2 to this letter. The updated attachments are marked "Supplemental" and should be used instead of the attachments provided with the original application.

2. The Company's plant records for years 2010 – 2011 were destroyed in fire that consumed the Company's offices. In support of acquired plant, Supplement No. 3 attached provides accounting records for plant additions in 2009-2011 and invoices for 2012 & 2013 plant additions.
3. The bill count contained in the original filing contained errors. The bill count has been corrected and all schedules updated accordingly. A reconciliation of the various revenue amounts is provided in Attachment 4 Supplemental provided as part of Supplement No. 2.
4. The customer numbers have been corrected. The Test Year-end number of customers was 899 customers and is reported on Page 6 and Page 18. The average number of customers for the Test Year was 895.
5. The Test Year reference has been corrected.
6. The depreciation calculation contained of Attachment No. 1 Page 6.5 reflects calendar year 2013 depreciation expense calculated using the Company's plant balances and depreciation rates authorized in its last rate case. The amount on Attachment No. 2, Page 3 of the original filing is the pro-forma depreciation expense after consideration of changed depreciation rates and plant that became

Mr. James Armstrong  
August 25, 2014  
Page 3



fully depreciated during 2013. Note: both amounts have been updated in the Supplemental Attachments provided as part of Supplement No. 2.

Please contact me directly should any further information or clarification be required to complete the sufficiency review for this application.

Sincerely,

A handwritten signature in black ink that reads "Ray L. Jones". The signature is written in a cursive style with a long, sweeping underline.

Ray L. Jones

cc: via email - Teresa B. Hunsaker  
Public Utility Analyst II  
Arizona Corporation Commission

Enclosures:

Supplement No. 1  
Supplement No. 2  
Supplement No. 3

Original and 13 copies filed  
on August 25, 2014 with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

**SUPPLEMENT NO. 1**

**REPLACEMENT PAGES FOR  
RATE APPLICATION**

## TABLE OF CONTENTS

WATER RATE APPLICATION CHECKLIST .....	1
GENERAL INSTRUCTIONS .....	2
NARRATIVE DESCRIPTION OF APPLICATION FOR RATE ADJUSTMENT .....	3
AFFILIATE RELATIONSHIP .....	5
STATEMENTS IN SUPPORT OF RATE REQUEST .....	6
CURRENT AND PROPOSED RATES AND CHARGES INSTRUCTIONS .....	8
CURRENT AND PROPOSED RATES AND CHARGES .....	9
SERVICE CHARGES INSTRUCTIONS .....	10
CURRENT AND PROPOSED SERVICE CHARGES .....	11
UTILITY PLANT IN SERVICE INSTRUCTIONS .....	12
PLANT ADDITIONS AND RETIREMENTS BY YEAR .....	13
PLANT SUMMARY .....	14
UTILITY PLANT IN SERVICE .....	15
WATER COMPANY PLANT DESCRIPTION .....	16
WATER COMPANY PLANT DESCRIPTION CONTINUED .....	17
WATER USE DATA SHEET .....	18
COMPARATIVE STATEMENT OF INCOME AND EXPENSE .....	19
CALCULATION OF DEPRECIATION EXPENSE .....	20
BALANCE SHEET .....	21
BALANCE SHEET (CONTINUED) .....	22
ADVANCES IN AID OF CONSTRUCTION (ACCT. 252) .....	24
GROSS CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271) .....	25
BILL COUNT INSTRUCTIONS .....	26
BILL COUNT WORKSHEET 1 <sup>ST</sup> QUARTER .....	27
BILL COUNT WORKSHEET 2 <sup>ND</sup> QUARTER .....	28
BILL COUNT WORKSHEET 3 <sup>RD</sup> QUARTER .....	29
BILL COUNT WORKSHEET 4 <sup>TH</sup> QUARTER .....	30
BILL COUNT SUMMARY .....	31
CUSTOMER NOTIFICATION .....	32

## NARRATIVE DESCRIPTION OF APPLICATION FOR RATE ADJUSTMENT

### Instructions:

Please provide the reasons for your requested rate adjustment by checking the appropriate box(es) below. If desired, the Company may also attach a written narrative regarding its reasons for the requested rate adjustment. Your narrative may also include efforts made by the utility to control costs/expenses and/or mitigate the amount of rate adjustment.

- Changes in current, compared to past operations that necessitate the rate adjustment

Please explain:

Pursuant to Decision No. 72896 Chino Meadows is required to file a rate case using the same test year as Granite Mountain Water Co., Inc. Pursuant to Decision No. 74384 Granite Mountain is required to file a permanent rate case application using a test year ending December 31, 2013 no later than June 30, 2014. This filing is being made to comply with the Commission Decision No. 72896.

- Descriptions and/or calculations of adjustments made to amounts that are included in this application that are different than amounts recorded in your books/ledgers (pro forma adjustments)

Please explain:

Balance Sheet/Rate Base pro forma adjustments were made to:

- Conform plant balances to Decision No. 72896.
- Reclass certain plant additions to correct plant accounts.
- Conform accumulated depreciation balances to requirements of Decision No. 72896.
- Adjust Accumulated Amortization of CIAC to requirements of Decision No. 72896.
- Adjust customer security deposit balance to agree with billing system.
- Include working capital using the formula method.

See **Attachment No. 1**, pages 1-8, for details of Balance Sheet/Rate Base adjustments.

Income Statement pro forma adjustments were made to:

- Adjust revenues to included unbilled authorized revenue due to billing system rate setup error.
- Increase salaries and wages to reflect post-test year increase.
- Reclass interest paid on customer deposits from interest expense to miscellaneous expense (move from below the line to above the line).
- Reclass bad debt expense from miscellaneous expense to bad debt expense
- Include \$40,000 in rate case expense amortized over 3 years.
- Adjust depreciation expense to reflect plant adjustments and proposed depreciation rates.
- Adjust property taxes per ADOR formula.
- Adjust income tax to reflect all other adjustments.

See **Attachment No. 2**, pages 1-11, for details of Income Statement adjustments.

- Significant factors influencing your revenues, expenses and/or rate base

Please explain:

Historical depreciation expense has been in excess of actual plant depletion causing a mismatch between recorded depreciation expense and actual plant depletion. Prior to

Decision No. 72896, a 5% composite depreciation rate, which was in excess of the actual rate of plant depletion, was used. In Decision No. 72896 Chino Meadows was ordered to use Staff's Recommended Depreciation Rates. Those rates are generally more appropriate but include a 12.5% rate for pumping equipment and a 20% rate for transportation equipment, both of which are in excess of actual plant depletion. This has caused the Pumping Plant and Transportation accounts to become fully depreciated even though the underlying plant has significant remaining useful life.

- Anticipated growth/decline in customers expected in the next two years, the amount of anticipated construction to serve those customers, and how financed; the type of customers served by the utility, e.g. residential, irrigation, small retail businesses, large commercial, etc. Please explain:

Chino Meadows expects zero to two residential customers to be added yearly and is not planning any additional facilities to accommodate those customers.

- Anticipated construction  
Please explain:

Anticipated plant construction is expected to be focused on replacement of aging plant.

- Efforts made to encourage conservation of water through the proposed rate design or through other means  
Please explain:

Chino Meadows is located within the Prescott AMA and subject to the public education and BMP requirements imposed by ADWR. In addition, Chino Meadows has a three tier inverted rate design to promote water conservation by its customers. Chino Meadow's proposed rate design, continues the use of the conservation oriented rate design.

- Other factors  
Please explain:

Chino Meadows has a small and declining rate base due to the age of plant facilities, and the above-discussed mismatch between historically recorded depreciation expense and actual plant depletion. For a company with a very small rate bases, traditional ratemaking may yield inadequate Operating Income, which provides a dangerously small margin over expenses. A company with inadequate Operating Income may find it difficult or even impossible to cover increasing or fluctuating costs, to deal with emergencies or other contingencies, and to attract new capital for system improvements.

In Chino Meadow's case, traditional rate making would result in an Operating Margin of only 4.16%, assuming a 10.0% return on rate base. This is well below the Operating Margins the Commission typically provides companies with small or negative rate bases. Therefore, Chino Meadows has calculated a revenue requirement based on an Operating Margin of 15.0%, consistent with the California PUC policy for small water utilities (less than 2,000 customers). This approach is also consistent with past Commission Decisions for small companies with small or negative rate base.

***Attach additional pages as necessary.***

## STATEMENTS IN SUPPORT OF RATE REQUEST

Complete the following statements in support of your rate request.

Chino Meadows II Water Co., Inc. (the "Company") requests an adjustment in the existing rates charged by the Company. The information contained in this application is based upon a twelve-month Test Year ending 12/31/2013 (mm/dd/yy). The Company had total operating revenues of \$ 355,676, served 899 metered and 0 un-metered (from page 19) customers, and sold 57,259,000 gallons of water during the Test Year. (from page 18)

The Company is requesting a(n) increase/decrease in revenues in the amount of \$ 141,603.

Total annual operating revenues, if the Company is granted the rate adjustment, will be \$ 497,280.

The Company is current on all property taxes.  YES  NO

The Company is current on all sales taxes.  YES  NO  
(Please see checklist item 2 on page 1.)

The Company currently has a Curtailment Plan Tariff on file with the Commission  YES  NO

The Company currently has a Backflow Prevention Tariff on file with the Commission.  YES  NO

The Company notified its customers of its application for a rate adjustment on \_\_\_\_\_ (mm/dd/yy). **A COPY OF THE NOTICE WITH A NOTARIZED COVER LETTER STATING THE METHOD OF CUSTOMER NOTIFICATION, AS WELL AS THE DATE OF THE NOTIFICATION, MUST BE ATTACHED. (See page 32)**

By completing this application in support of the Company's request for a rate adjustment, the Company realizes that Original Cost Less Depreciation ("OCLD") plant information will be used to determine the fair value rate base, i.e., the Company waives the right to Reconstruction Cost New.

Company Name: **Chino Meadows II Water Co., Inc.**

Test Year Ended: **2013**

**CURRENT AND PROPOSED RATES AND CHARGES**

CUSTOMER CLASS:  Residential  Commercial  Industrial

Irrigation  All

Other, specify \_\_\_\_\_

**CURRENT RATES**

**PROPOSED RATES**

MINIMUM OR SERVICE CHARGES
5/8" x 3/4" Meter
3/4" Meter
1" Meter
1-1/2" Meter
2" Meter
3" Meter
4" Meter
6" Meter

\$	GALLONS
17.75	for $\emptyset$
26.63	for $\emptyset$
44.38	for <del><math>\emptyset</math></del>
88.75	for $\emptyset$
142.00	for $\emptyset$
266.25	for $\emptyset$
443.75	for $\emptyset$
887.50	for $\emptyset$

\$	GALLONS
23.10	for $\emptyset$
34.65	for $\emptyset$
57.75	for $\emptyset$
115.50	for $\emptyset$
184.80	for $\emptyset$
369.60	for $\emptyset$
577.50	for $\emptyset$
1,155.00	for $\emptyset$

Hydrant Meter - By meter size - all usage \$4.20 current  
\$6.60 proposed

GALLONS IN EXCESS OF MINIMUM
Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)
First Tier
Second Tier
Third Tier
FLAT RATE

**Current Rates**

**Proposed Rates**

Rate	Gallons	Rate	Gallons
\$ 2.40	Up to <u>3,000</u>	\$ 3.50	Up to <u>3,000</u>
\$ 3.20	<u>3,000</u> to <u>8,000</u>	\$ 5.20	<u>3,001</u> to <u>8,000</u>
\$ 4.20	Over <u>8,000</u>	\$ 6.60	Over <u>8,000</u>
\$	Per Month	\$	Per Month

**Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.**

Company Name: **Chino Meadows II Water Co., Inc.**Test Year Ended: **2013****CURRENT AND PROPOSED SERVICE CHARGES**CUSTOMER CLASS:  Residential  Commercial  Industrial Irrigation  All  Other, specify \_\_\_\_\_

SERVICE LINE AND METER INSTALLATION CHARGES	Service Line CURRENT CHARGES	Meter	Service Line PROPOSED CHARGES	Meter
5/8" X 3/4" Meter	\$ 406	95	\$ 450	150
3/4" Meter	\$ 413	162	\$ 450	250
1" Meter	\$ 441	209	\$ 575	300
1-1/2" Meter	\$ 395	321	\$ 675	500
2" Meter	\$ 727	845	\$ 1000	1,500
3" Meter	\$ 952	1,448	\$ 1,300	2,000
4" Meter	\$ 1,310	2,706	\$ 1,800	3,500
6" Meter	\$ 2,160	4,756	\$ 2,800	6,000
Establishment	\$ 25.00		\$ 25.00	
Reconnection (delinquent)	\$ 30.00		\$ 35.00	
After Hours Service Charge	\$ 25.00		\$ 25.00	
Meter Test	\$ 20.00		\$ 35.00	
Deposit	\$ 2 x Avg. Bill		\$ 2 x Avg. Bill	
Deposit Interest	6.0 %		6.0 %	
Re-establishment (within 12 months)	\$ months off sys x min.		\$ months off sys x min	
NSF Check	\$ 20.00		\$ 20.00	
Deferred Payment	1.5 %		1.5 %	
Meter Re-read	\$ 15.00		\$ 15.00	
Late Fee	\$ 1.5 %		\$ 1.5 %	

**Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.**

## Plant Additions and Retirements by Year

Acct. No.	Description	Year 2010		Year 2011	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	0	0	0	0
310	Power Generation Equipment	933	0	5,300	0
311	Pumping Equipment	0	0	0	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	552	0	36,353	0
333	Services	0	0	0	0
334	Meters & Meter Installations	3,780	0	0	0
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	5,136	0	0	0
341	Transportation Equipment	(3,412)	3000	14,348	0
343	Tools, Shop & Garage Equip.	324	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	2,813	0	0	0
346	Communication Equipment	5,136	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	<b>TOTAL WATER PLANT</b>	<b>10,127</b>	<b>3000</b>	<b>56,001</b>	<b>0</b>

*Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.*

## Plant Additions and Retirements by Year

Acct. No.	Description	Year 2012		Year 2013	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	0	0	0	0
310	Power Generation Equipment	6,167	0	0	0
311	Pumping Equipment	0	0	0	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	0	0	0	0
333	Services	0	0	0	0
334	Meters & Meter Installations	0	0	1,140	0
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	4,782	0	189	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	2,243	0	1,000	0
346	Communication Equipment	8,757	0	(130)	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	<b>TOTAL WATER PLANT</b>	<b>16,899</b>	<b>0</b>	<b>2,199</b>	<b>0</b>

*Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.*

**Plant Summary**

Acct. No.	Description	Plant in Service Per Prior Decision <i>Column A</i>	Total Additions <i>Column B</i>	Total Retirements <i>Column C</i>	Test Year End Total <i>Column D*</i>
301	Organization	6863	0	0	6,843
302	Franchises	0	0	0	0
303	Land & Land Rights	15,204	0	0	15,204
304	Structures & Improvements	44,339	0	0	44,339
305	Collecting & Impounding Reservoirs	4,350	0		4,350
307	Wells & Springs	27,448	0	0	27,448
309	Raw Water Supply Mains	1,009	0		1,009
310	Power Generation Equipment	0	12,401		12,401
311	Pumping Equipment	46,268	0	0	46,268
320	Water Treatment Equipment	6,406	0	0	6,406
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	51,684	0	0	51,684
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	268,037	36,637	0	304,674
333	Services	30,067	0	0	30,067
334	Meters & Meter Installations	84,857	0	0	84,857
335	Hydrants	12,042	0	0	12,042
339	Other Plant & Misc. Equipment	16,728	0	0	16,728
340	Office Furniture & Equipment	9,346	0	0	9,346
340.1	Computers & Software	0	10,107	0	10,107
341	Transportation Equipment	88,633	10,936	3,000	96,569
343	Tools, Shop & Garage Equip.	949	324	0	1,274
345	Power Operated Equipment	25,405	6,056	0	31,461
346	Communication Equipment	22,084	3,845	0	25,929
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	<b>TOTAL WATER PLANT</b>	<b>761,698</b>	<b>85,226</b>	<b>3,000</b>	<b>843,924</b>

**Note: Please refer to the checklist on page 1 for the required attachments related to this schedule**

**\* Column D = Column A + Column B - Column C**

**UTILITY PLANT IN SERVICE**

Acct No.	Description	Original Cost	Accumulated Depreciation	OCLD
		<i>Column A</i>	<i>Column B</i>	<i>Column C**</i>
301	Organization	6,843	6,507	336
302	Franchises	0	0	0
303	Land & Land Rights	15,204	N/A	15,204
304	Structures & Improvements	44,339	35,228	9,111
305	Collecting & Impounding Reservoirs	4,350	3,106	1,244
307	Wells & Springs	27,448	24,293	3,155
309	Raw Water Supply Mains	1,009	775	235
310	Power Generation Equipment	12,401	1,288	11,112
311	Pumping Equipment	46,268	46,268	0
320	Water Treatment Equipment	6,406	3,683	2,723
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	0	0	0
330	Distribution Reservoirs & Standpipes	51,684	48,676	3,008
330.1	Storage Tanks	0	0	0
330.2	Pressure Tanks	0	0	0
331	Transmission & Distrib. Mains	304,674	226,635	78,039
333	Services	30,067	23,644	6,423
334	Meters & Meter Installations	89,777	85,496	4,281
335	Hydrants	12,042	8,929	3,112
339	Other Plant & Misc. Equipment	16,728	9,598	7,130
340	Office Furniture & Equipment	9,346	8,997	349
340.1	Computers & Software	10,107	5,049	5,058
341	Transportation Equipment	96,569	96,569	0
343	Tools, Shop & Garage Equip.	1,274	808	466
345	Power Operated Equipment	31,461	19,361	12,099
346	Communication Equipment	25,929	15,662	10,266
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	<b>TOTAL WATER PLANT</b>	<b>843,924</b>	<b>670,573</b>	<b>173,351</b>

\* *Must be the same as the amount reported on page 20*

\*\**Column C = Column A - Column B*

## WATER USE DATA SHEET

<b>NAME OF COMPANY</b>	<b>Chino Meadows II Water Co., Inc.</b>
<b>ADEQ Public Water System Number:</b>	13-079

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1. January	884	4,074	5,126
2. February	898	3,059	3,888
3. March	894	3,278	4,139
4. April	894	4,398	5,874
5. May	892	5,387	6,341
6. June	899	6,065	6,807
7. July	898	5,544	5,996
8. August	896	5,191	6,676
9. September	895	4,283	5,105
10. October	894	4,552	5,457
11. November	901	3,419	3,874
12. December	899	3,715	4,850
<b>TOTAL</b>	N/A	<b>57,259</b> *	<b>64,139</b> **

**Is the water utility located in an ADWR Active Management Area ("AMA")?**

YES     NO

**Does the Company have an ADWR gallons per capita day ("GPCD") requirement?**

YES     NO

**If Yes, please provide the GPCD amount:** \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

*\* This number must be equal to the number entered on Page 6, "sold gallons."*

*\*\* Gallons pumped cannot equal or be less than the gallons sold.*

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>TEST YEAR (ADJUSTED)</b>
461	Metered Water Revenue	\$341,613	\$342,932
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	10,254	12,744
	<b>TOTAL OPERATING REVENUES</b>	<b>\$351,868</b>	<b>\$ 355,676*</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages (See page 1, item 4)	\$161,652	\$211,665
610	Purchased Water (See page 1, item 5)	219	40
615	Purchased Power (See page 1, item 6)	22,483	24,401
618	Chemicals	1,192	425
620	Repairs and Maintenance (See page 1, item 7)	10,219	8,889
621	Office Supplies and Expense	25,403	30,594
630	Outside Services (See page 1, item 8)	21,695	11,457
635	Water Testing (See page 1, item 9)	4,323	4,791
641	Rents	11,700	0
650	Transportation Expenses	27,359	24,752
657	Insurance – General Liability	9,544	8,964
659	Insurance – Health and Life	1,480	2,667
666	Regulatory Commission Expense – Rate Case	10,074	13,333
670	Bad Debt Expense	0	1,990
675	Miscellaneous Expense	9,623	8,848
403	Depreciation Expense (From page 20)	28,840	20,394
408	Taxes Other Than Income	0	0
408.11	Property Taxes (See page 1, item 10)	16,107	18,530
409	Income Tax	50	(7,495)
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$362,140</b>	<b>\$384,699</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$(10,272)</b>	<b>\$(29,022)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	8,045	684
426	Miscellaneous Non-Utility Expenses	0	(5,000)
427	Interest Expense	(1,471)	(896)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$(72)</b>	<b>\$(5,212)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$(24,088)</b>	<b>\$(34,234)</b>

**Note: Do not include sales tax in revenue or expense. Please refer to the checklist on page 1 for the required attachments related to this schedule.**

**\* This number must be identical to the number entered on page 6 "total operating revenues."**

**CALCULATION OF DEPRECIATION EXPENSE**

Acct. No..	Description	Original Cost <sup>1</sup>	Depreciation Percentage	Depreciation Expense
		<i>Column A</i>	<i>Column B</i>	<i>Column C*</i>
301	Organization	6,843	0	0
302	Franchises	0	0	0
303	Land & Land Rights	15,204	N/A	0
304	Structures & Improvements	44,339	3.33	1,476
305	Collecting & Impounding Reservoirs	4,350	2.50	109
307	Wells & Springs	18,352	3.33	611
309	Raw Water Supply Mains	1,009	2.00	20
310	Power Generation Equipment	12,401	5.00	620
311	Pumping Equipment	0	5.00	0
320	Water Treatment Equipment	6,406	3.33	213
320.1	Water Treatment Plants	0	3.33	0
320.2	Solution Chemical Feeders	0	20.00	0
330	Distribution Reservoirs & Standpipes	30,023	2.22	667
330.1	Storage Tanks	0	2.22	0
330.2	Pressure Tanks	0	5.00	0
331	Transmission & Distrib. Mains	136,686	2.00	2,734
333	Services	22,886	3.33	762
334	Meters & Meter Installations	89,777	8.83	7,478
335	Hydrants	12,042	2.00	241
339	Other Plant & Misc. Equipment	15,423	6.67	1,029
340	Office Furniture & Equipment	9,346	6.67	623
340.1	Computers & Software	10,107	20.00	2,021
341	Transportation Equipment	0	15.00	0
343	Tools, Shop & Garage Equip.	1,274	5.00	64
345	Power Operated Equipment	13,084	5.00	654
346	Communication Equipment	25,929	10.00	2,593
347	Miscellaneous Equipment	0	10.00	0
348	Other Tangible Plant	0	20.00	0
	<b>TOTAL WATER PLANT</b>	<b>475,480</b>		<b>21,916</b>

**Note: Use Test Year ending balances for column 1, and approved depreciation rates from the prior rate case in column 2.**

**\* Column C = Column A x Column B**

**<sup>1</sup> Column A = Original Cost – Fully Depreciated Plant**

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$8,312	\$5,820
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	27,190	34,846
146	Notes/Receivables from Associated Companies	16,952	19,056
151	Plant Material and Supplies	3,024	3,024
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$55,477</b>	<b>\$62,746</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$841,725	\$843,924 *
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant ("AD-UP")	(586,207)	(\$670,573)**
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility ("AD-NU")	0	(\$ 0 )
	<b>TOTAL FIXED ASSETS</b>	<b>\$255,518</b>	<b>\$173,351</b>
	<b>TOTAL ASSETS</b>	<b>\$310,995</b>	<b>\$236,097</b>

**Note: Total Assets on this page should equal the sum of Total Liabilities and Total Capital on page 22. Also, numbers in parentheses should be subtracted. For example, Accounts 108 and 122 should be subtracted from Total Fixed Assets.**

**\* Must equal page 15, original cost**

**\*\* Must equal page 15, accumulated depreciation**

**BALANCE SHEET (CONTINUED)**

	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF TEST YEAR</b>	<b>BALANCE AT END OF TEST YEAR</b>
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$1,700	\$1,700
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	19,891	36,500
235	Customer Deposits	11,149	11,740
236	Accrued Taxes	7,776	4,438
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	16,306	9,066
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$56,822</b>	<b>\$63,444</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$0	\$0
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	13,219	\$ 13,219 *
255	Accumulated Deferred Investment Tax Credits	0	0
271	Gross Contributions in Aid of Construction	31,478	\$ 31,478 **
272	Less: Amortization of Contributions	(2,631)	(\$ 11,005 )
281	Accumulated Deferred Income Tax	0	0
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$42,066</b>	<b>\$33,692</b>
	<b>TOTAL LIABILITIES</b>	<b>\$98,888</b>	<b>\$97,136</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$8,597	\$8,597
211	Paid in Capital in Excess of Par Value	80,266	80,266
215	Retained Earnings	123,244	50,099
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$212,107</b>	<b>\$138,962</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$423,809</b>	<b>\$236,098</b>

*Note: Account 272 should be subtracted from Total Deferred Credits.*

*\* Must equal page 24, Total Advances in Aid of Constructions*

*\*\* Must equal page 25, Total Advances*

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt<sup>1</sup>**

	LOAN #1*	LOAN #2*	LOAN #3*	LOAN #4*
Date Issued	None	None	None	None
Source of Loan				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Net Proceeds	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principal	\$	\$	\$	\$
<b>Authority Granted By ACC Decision No.</b>				

*A.R.S. 40-301 requires ACC approval of long-term debt. If the Commission has not approved any of the above loans, then please submit an application requesting approval of the above loans.*

Meter Deposit Balance – Test Year	\$ 7,646
Meter Deposits Refunded During the Test Year	\$ 0

<sup>1</sup>List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed.

**ADVANCES IN AID OF CONSTRUCTION (Acct. 252)<sup>2</sup>**

	<b>Additions During Year</b>	<b>Refunds During Year</b>	
Balance Per Prior Decision	N/A	N/A	\$ 50,037
Year 2010	\$ 1,340	\$ 3,548	
Year 2010 (AJE)	-	\$ 15,345	
Year 2011	\$0	\$ 6,084	
Year 2012 (Convert to CIAC)	\$0	\$ 7,829	
Year 2012	\$0	\$ 5,353	
Year 2013	\$0	\$0	
Year _____	\$	\$	
Year _____	\$	\$	
Year _____	\$	\$	
Year _____	\$	\$	
Year _____	\$	\$	
Year _____	\$	\$	
Year _____	\$	\$	
Year _____	\$	\$	
Year _____	\$	\$	
Total of Additions	\$ 1,340	N/A	
Total of Refunds	N/A	\$ 38,159	
Total Advances in Aid of Construction	N/A	N/A	\$ 13,219 *

*Note: Prior Decision refers to the balances per the prior Staff Report as adjusted per the final Commission Decision.  
 \* Total Advances in Aid of Construction = Balance Per Prior Decision + Total Additions - Total Refunds (cross reference this to the Balance Sheet on page 22)*

<sup>2</sup> *Advances in Aid of Construction refers to the following:*

- (1) Refundable amounts received from a new customer to cover the cost of a meter and piping from the building to the meter and the associated installation.*
- (2) Refundable amounts received from a customer or a developer for mains, valves, fittings, and additional facilities required to provide pressure, storage, or water supply pursuant to a main extension agreement.*

**GROSS CONTRIBUTIONS IN AID OF CONSTRUCTION (Acct. 271)<sup>3</sup>**

Balance Per Prior Decision	N/A	\$23,984
Additions Year 2010	\$(335)	
Additions Year 2011	\$0	
Additions Year 2012	\$7,829	
Additions Year 2013	\$0	
Additions Year	\$	
<b>Total Additions</b>	N/A	<b>\$7,494</b>
<b>Balance at Test Year End</b>	N/A	<b>\$ 31,478</b> *

*Note: Prior Decision refers to the balances per the prior Staff Report as adjusted per the final Commission Decision.  
 \* Balance at Test Year End = Balance Per Prior Decision + Total Additions (cross reference this to the Balance Sheet on page 22)*

<sup>3</sup> Contributions in Aid of Construction refers to the following:  
 (1) Non-refundable money, services, or property received for use in the provision of utility service from any source that is provided at no cost and interest free.  
 (2) Unrefunded balances of expired advance contracts reclassified from Advances in Aid of Construction.

Company Name: <b>Chino Meadows II Water Co., Inc.</b>	Test Year Ended: <b>2013</b>
Meter Size: <b>5/8" x 3/4"</b>	1 <sup>st</sup> Quarter Ended: <b>March 31st</b>

**BILL COUNT WORKSHEET 1<sup>ST</sup> QUARTER**

<b>GALLONAGE RANGE</b>	<b>NUMBER OF BILLS</b>	<b>TOTAL BILLS FOR 1<sup>ST</sup> QUARTER</b>
- 0 -		69
1 to 1,000		204
1,001 to 2,000		410
2,001 to 3,000		474
3,001 to 4,000		447
4,001 to 5,000		379
5,001 to 6,000		266
6,001 to 7,000		144
7,001 to 8,000		90
8,001 to 9,000		59
9,001 to 10,000		34
10,001 to 12,000		54
12,001 to 14,000		15
14,001 to 16,000		12
16,001 to 18,000		10
18,001 to 20,000		2
20,001 to 25,000		2
25,001 to 30,000		4
30,001 to 35,000		0
35,001 to 40,000		0
40,001 to 50,000		1
50,001 to 60,000		0
60,001 to 70,000		0
70,001 to 80,000		0
80,001 to 90,000		0
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)		0
<b>Total Bills</b>		<b>2,676</b>

Company Name: <b>Chino Meadows II Water Co., Inc.</b>	Test Year Ended: <b>2013</b>
Meter Size: <b>5/8" x 3/4"</b>	2 <sup>nd</sup> Quarter Ended: <b>June 30th</b>

**BILL COUNT WORKSHEET 2<sup>ND</sup> QUARTER**

<b>GALLONAGE RANGE</b>	<b>NUMBER OF BILLS</b>	<b>TOTAL BILLS FOR 2<sup>nd</sup> QUARTER</b>
- 0 -		60
1 to 1,000		163
1,001 to 2,000		244
2,001 to 3,000		315
3,001 to 4,000		356
4,001 to 5,000		294
5,001 to 6,000		306
6,001 to 7,000		204
7,001 to 8,000		167
8,001 to 9,000		122
9,001 to 10,000		97
10,001 to 12,000		97
12,001 to 14,000		75
14,001 to 16,000		54
16,001 to 18,000		45
18,001 to 20,000		20
20,001 to 25,000		31
25,001 to 30,000		17
30,001 to 35,000		6
35,001 to 40,000		6
40,001 to 50,000		4
50,001 to 60,000		2
60,001 to 70,000		0
70,001 to 80,000		0
80,001 to 90,000		0
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)		0
<b>Total Bills</b>		<b>2,685</b>

Company Name: <b>Chino Meadows II Water Co., Inc.</b>	Test Year Ended: 2013
Meter Size: 5/8" x 3/4"	3 <sup>rd</sup> Quarter Ended: September 30th

**BILL COUNT WORKSHEET 3<sup>RD</sup> QUARTER**

<b>GALLONAGE RANGE</b>	<b>NUMBER OF BILLS</b>	<b>TOTAL BILLS FOR 3<sup>rd</sup> QUARTER</b>
- 0 -		61
1 to 1,000		161
1,001 to 2,000		263
2,001 to 3,000		338
3,001 to 4,000		368
4,001 to 5,000		339
5,001 to 6,000		266
6,001 to 7,000		196
7,001 to 8,000		164
8,001 to 9,000		114
9,001 to 10,000		93
10,001 to 12,000		144
12,001 to 14,000		57
14,001 to 16,000		39
16,001 to 18,000		24
18,001 to 20,000		17
20,001 to 25,000		27
25,001 to 30,000		7
30,001 to 35,000		4
35,001 to 40,000		2
40,001 to 50,000		1
50,001 to 60,000		1
60,001 to 70,000		1
70,001 to 80,000		0
80,001 to 90,000		0
90,001 to 100,000		1
Over 100,000 (List actual gallons, e.g., 120,000)		0
<b>Total Bills</b>		<b>2,688</b>

Company Name: <b>Chino Meadows II Water Co., Inc.</b>	Test Year Ended: <b>2013</b>
Meter Size: <b>5/8" x 3/4"</b>	4 <sup>th</sup> Quarter Ended: <b>December 31st</b>

**BILL COUNT WORKSHEET 4<sup>TH</sup> QUARTER**

GALLONAGE RANGE	NUMBER OF BILLS	TOTAL BILLS FOR 4 <sup>th</sup> QUARTER
- 0 -		58
1 to 1,000		205
1,001 to 2,000		332
2,001 to 3,000		438
3,001 to 4,000		439
4,001 to 5,000		364
5,001 to 6,000		276
6,001 to 7,000		191
7,001 to 8,000		115
8,001 to 9,000		86
9,001 to 10,000		47
10,001 to 12,000		60
12,001 to 14,000		30
14,001 to 16,000		12
16,001 to 18,000		15
18,001 to 20,000		13
20,001 to 25,000		10
25,001 to 30,000		0
30,001 to 35,000		2
35,001 to 40,000		1
40,001 to 50,000		0
50,001 to 60,000		0
60,001 to 70,000		0
70,001 to 80,000		0
80,001 to 90,000		0
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)		1
		231,670
<b>Total Bills</b>		<b>2,695</b>

Company Name: Chino Meadows II Water Co., Inc.

Test Year Ended: 2013

Meter Size: 5/8" x 3/4"

## BILL COUNT SUMMARY

	1 <sup>st</sup> Qtr	2 <sup>nd</sup> Qtr	3 <sup>rd</sup> Qtr	4 <sup>th</sup> Qtr	Total
- 0 -	69	60	61	58	248
1 to 1,000	204	163	161	205	733
1,001 to 2,000	410	244	263	332	1,249
2,001 to 3,000	474	315	338	438	1,565
3,001 to 4,000	447	356	368	439	1,610
4,001 to 5,000	379	294	339	364	1,376
5,001 to 6,000	266	306	266	276	1,114
6,001 to 7,000	144	204	196	191	735
7,001 to 8,000	90	167	164	115	536
8,001 to 9,000	59	122	114	86	381
9,001 to 10,000	34	97	93	47	271
10,001 to 12,000	54	97	144	60	355
12,001 to 14,000	15	75	57	30	177
14,001 to 16,000	12	54	39	12	117
16,001 to 18,000	10	45	24	15	94
18,001 to 20,000	2	20	17	13	52
20,001 to 25,000	2	31	27	10	70
25,001 to 30,000	4	17	7	0	28
30,001 to 35,000	0	6	4	2	12
35,001 to 40,000	0	6	2	1	9
40,001 to 50,000	1	4	1	0	6
50,001 to 60,000	0	2	1	0	3
60,001 to 70,000	0	0	1	0	1
70,001 to 80,000	0	0	0	0	0
80,001 to 90,000	0	0	0	0	0
90,001 to 100,000	0	0	1	0	1
Over 100,000 (List actual gallons, e.g., 120,000)	0	0	0	1 231,670	1
Total Bills	2,676	2,685	2,688	2,695	10,744

**SUPPLEMENT NO. 2**

**Updated Attachments to Rate Application**

Line No.	Original Cost Rate Base*
1	
2	\$ 843,924
3	
4	<u>(670,573)</u>
5	
6	173,351
7	
8	Less:
9	13,219
10	
11	31,478
12	<u>(11,005)</u>
13	20,473
14	
15	11,740
16	-
17	
18	Plus:
19	43,479
20	-
21	
22	<u>\$ 171,398</u>
23	
24	* including pro forma adjustments
25	

Line No.	Actual End of Test Year	ADJ OC-1	ADJ OC-2	ADJ OC-3	ADJ OC-4	Total Pro Forma Adjustments	Adjusted End of Test Year
1	\$ 843,924	\$ -				\$ -	\$ 843,924
2							
3							
4	(614,851)		(55,722)			(55,722)	(670,573)
5							
6	229,073	-	(55,722)	-	-	(55,722)	173,351
7							
8	Less:						
9	Advances in Aid of Construction						13,219
10							
11	31,478			0		0	31,478
12	(2,631)			(8,374)		(8,374)	(11,005)
13	28,847	-	-	(8,374)	-	(8,374)	20,473
14							
15	10,596				1,144	1,144	11,740
16	-					-	-
17							
18	Plus:						
19	Working Capital						43,479
20	Net Regulatory Asset / (Liability)						-
21							
22	\$ 219,890	\$ -	\$ (55,722)	\$ 8,374	\$ (1,144)	\$ (48,492)	\$ 171,398
23							
24							
25							
26							
27							

Plant in Service Balance

Line No.	Acct No.	Description	Actual End of Test Year	Book Adjustments - (Included on Schedule B.2.1)				Rate Making Adjustments				Adjusted End of Test Year
				[1.1]	[1.2]	[1.3]	[1.4]	[1.5]	[1.6]	[1.7]		
				NOT USED	NOT USED	Reclass Plant Entries	NOT USED	NOT USED	NOT USED	NOT USED	NOT USED	
4	301	Organization Cost	\$ 6,843	-	-	-	-	-	-	-	-	\$ 6,843
5	302	Franchise Cost	-	-	-	-	-	-	-	-	-	-
6	303	Land and Land Rights	15,204	-	-	-	-	-	-	-	-	15,204
7	304	Structures & Improvements	44,339	-	-	-	-	-	-	-	-	44,339
8	305	Collecting & Impounding Reservoirs	4,350	-	-	-	-	-	-	-	-	4,350
9	306	Lake, River, Canal Intakes	-	-	-	-	-	-	-	-	-	-
10	307	Wells & Springs	27,448	-	-	-	-	-	-	-	-	27,448
11	308	Infiltration Galleries	-	-	-	-	-	-	-	-	-	-
12	309	Raw Water Supply Mains	1,009	-	-	-	-	-	-	-	-	1,009
13	310	Power Generation Equipment	12,401	-	-	-	-	-	-	-	-	12,401
14	311	Pumping Equipment	46,268	-	-	-	-	-	-	-	-	46,268
15	320	Water Treatment Equipment	6,406	-	-	-	-	-	-	-	-	6,406
16	320.1	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-
17	320.2	Solution Chemical Feeders	-	-	-	-	-	-	-	-	-	-
18	330	Distribution Reservoirs & Standpipes	51,684	-	-	-	-	-	-	-	-	51,684
19	330.1	Storage Tanks	-	-	-	-	-	-	-	-	-	-
20	330.2	Pressure Tanks	-	-	-	-	-	-	-	-	-	-
21	331	Transmission & Distribution Mains	304,674	-	-	-	-	-	-	-	-	304,674
22	333	Services	30,067	-	-	-	-	-	-	-	-	30,067
23	334	Meters	89,777	-	-	-	-	-	-	-	-	89,777
24	335	Hydrants	12,042	-	-	-	-	-	-	-	-	12,042
25	336	Backflow Prevention Devices	-	-	-	-	-	-	-	-	-	-
26	339	Other Plant & Misc Equipment	16,728	-	-	-	-	-	-	-	-	16,728
27	340	Office Furniture & Equipment	9,346	-	-	-	-	-	-	-	-	9,346
28	340.1	Computers & Software	-	-	-	10,107	-	-	-	-	-	10,107
29	341	Transportation Equipment	96,569	-	-	-	-	-	-	-	-	96,569
30	342	Stores Equipment	-	-	-	-	-	-	-	-	-	-
31	343	Tools, Shop & Garage Equipment	1,274	-	-	-	-	-	-	-	-	1,274
32	344	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-
33	345	Power Operated Equipment	31,461	-	-	-	-	-	-	-	-	31,461
34	346	Communication Equipment	36,036	-	-	(10,107)	-	-	-	-	-	25,929
35	347	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-
36	348	Other Tangible Plant	-	-	-	-	-	-	-	-	-	-
37		TOTALS	\$ 843,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 843,924
38												
39		Plant in Service per Books										\$ 843,924
40												\$ -
41		Increase / (Decrease) in Plant in Service										\$ -
42		<sup>1</sup> Adjusted plant in service balance including all book adjustments.										\$ -
43												\$ -

Total  
Equity Adj.

Accumulated Depreciation

Line No.	Acct No.	Description	Actual End of Test Year	Book Adjustments - (Included on Schedule B.2.1)				Adjusted Book End of Test Year	Rate Making Adjustments				Adjusted End of Test Year
				[2.1] Unbooked Plant Retirement	[2.2] Difference From Calc'd on B-2.1	[2.3] NOT USED	[2.4] NOT USED		[2.5] NOT USED	[2.6] NOT USED	[2.7] NOT USED		
4	301	Organization Cost	\$ 6,507	6,507	-	-	6,507	-	-	-	-	6,507	6,507
5	302	Franchise Cost	-	-	-	-	-	-	-	-	-	-	-
6	303	Land and Land Rights	-	-	-	-	-	-	-	-	-	-	-
7	304	Structures & Improvements	35,228	35,228	-	-	35,228	-	-	-	-	35,228	35,228
8	305	Collecting & Impounding Reservoirs	3,106	3,106	-	-	3,106	-	-	-	-	3,106	3,106
9	306	Lake, River, Canal Intakes	-	-	-	-	-	-	-	-	-	-	-
10	307	Wells & Springs	24,293	24,293	-	-	24,293	-	-	-	-	24,293	24,293
11	308	Infiltration Galleries	-	-	-	-	-	-	-	-	-	-	-
12	309	Raw Water Supply Mains	775	775	-	-	775	-	-	-	-	775	775
13	310	Power Generation Equipment	1,288	1,288	-	-	1,288	-	-	-	-	1,288	1,288
14	311	Pumping Equipment	46,268	46,268	-	-	46,268	-	-	-	-	46,268	46,268
15	320	Water Treatment Equipment	3,683	3,683	-	-	3,683	-	-	-	-	3,683	3,683
16	320	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-	-
17	320	Solution Chemical Feeders	-	-	-	-	-	-	-	-	-	-	-
18	330	Distribution Reservoirs & Standpipes	48,676	48,676	-	-	48,676	-	-	-	-	48,676	48,676
19	330.1	Storage Tanks	-	-	-	-	-	-	-	-	-	-	-
20	330.2	Pressure Tanks	-	-	-	-	-	-	-	-	-	-	-
21	331	Transmission & Distribution Mains	226,635	226,635	-	-	226,635	-	-	-	-	226,635	226,635
22	333	Services	23,644	23,644	-	-	23,644	-	-	-	-	23,644	23,644
23	334	Meters	85,496	85,496	-	-	85,496	-	-	-	-	85,496	85,496
24	335	Hydrants	8,929	8,929	-	-	8,929	-	-	-	-	8,929	8,929
25	336	Backflow Prevention Devices	-	-	-	-	-	-	-	-	-	-	-
26	339	Other Plant & Misc Equipment	9,598	9,598	-	-	9,598	-	-	-	-	9,598	9,598
27	340	Office Furniture & Equipment	8,997	8,997	-	-	8,997	-	-	-	-	8,997	8,997
28	340.1	Computers & Software	5,049	5,049	-	-	5,049	-	-	-	-	5,049	5,049
29	341	Transportation Equipment	96,569	96,569	-	-	96,569	-	-	-	-	96,569	96,569
30	342	Stores Equipment	-	-	-	-	-	-	-	-	-	-	-
31	343	Tools, Shop & Garage Equipment	808	808	-	-	808	-	-	-	-	808	808
32	344	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	-
33	345	Power Operated Equipment	19,361	19,361	-	-	19,361	-	-	-	-	19,361	19,361
34	346	Communication Equipment	15,662	15,662	-	-	15,662	-	-	-	-	15,662	15,662
35	347	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	-
36	348	Other Tangible Plant	-	-	-	-	-	-	-	-	-	-	-
37		TOTALS	\$ 614,851	\$ 670,573	\$ (55,722)	\$ -	\$ 670,573	\$ -	\$ -	\$ -	\$ -	\$ 670,573	\$ (55,722)
38		Equity Adjustments (Attachment 3, pg 21)	-	-	-	-	-	-	-	-	-	-	-
39		Accumulated Depreciation per Books	\$ 614,851	\$ 670,573	\$ (55,722)	\$ -	\$ 670,573	\$ -	\$ -	\$ -	\$ -	\$ 670,573	\$ (55,722)
40		Accumulated Depreciation per Books	\$ 614,851										
41		Increase / (Decrease) in Accumulated Depreciation											
42													
43													
44													

<sup>1</sup> Adjusted accumulated depreciation balance including all book adjustments.

Contributions-In-Aid of Construction (CIAC) and Accumulated Amortization of CIAC

Line No.		CIAC	Accumulated Amortization
1			
2	Calculated Balance at 12/31/2013	\$ 31,478	\$ 11,005
3			
4	Book Balance at 12/31/2013	\$ 31,478	\$ 2,631
5			
6	Increase / (Decrease) in CIAC or AA CIAC	\$ 0	\$ 8,374
7			
8	Equity Adjustments (Attachment 3, pg 2))	\$ (0)	\$ 8,374
9			
10			
11			
12			
13			
14			



Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	Plant In Service at 12/31/2009	Less Post Test Year Plant	Book Plant at 12/31/2009	Accum. Depr. 12/31/2009	Net Plant 12/31/2009	Non or Fully Depreciated Plant <sup>1</sup>	Deprable Plant	Conform Current Books to 72896				
											[1]	[2]	[3]	[4]	[5]
1	301	Organization Cost	0.00%	6,843		6,843	6,507	336	6,843	-	-	6,843	-	6,843	-
2	302	Franchise Cost	0.00%	15,204		15,204		15,204	15,204	-	-	15,204	-	15,204	-
3	303	Land and Land Rights	0.00%	44,339		44,339	29,322	15,017	44,339	44,339	-	44,339	-	44,339	-
4	304	Structures & Improvements	3.33%	4,350		4,350	2,671	1,679	4,350	4,350	-	4,350	-	4,350	-
5	305	Collecting & Impounding Reservoirs	2.50%	27,448		27,448	21,849	5,600	27,448	18,352	-	27,448	-	27,448	-
6	306	Lake, River, Canal Intakes	3.33%	1,009		1,009	694	315	1,009	1,009	-	1,009	-	1,009	-
7	307	Wells & Springs	6.67%	46,268		46,268	30,774	15,494	46,268	46,268	-	46,268	-	46,268	-
8	308	Infiltration Galleries	2.00%	6,406		6,406	2,830	3,576	6,406	6,406	-	6,406	-	6,406	-
9	309	Raw Water Supply Mains	5.00%	51,684		51,684	46,010	5,674	51,684	30,023	-	51,684	-	51,684	-
10	310	Power Generation Equipment	12.50%												
11	311	Pumping Equipment	3.33%												
12	320	Water Treatment Equipment	2.22%												
13	320	Water Treatment Plants													
14	320	Solution Chemical Feeders													
15	330	Distribution Reservoirs & Standpipes													
16	330.1	Storage Tanks													
17	330.2	Pressure Tanks													
18	331	Transmission & Distribution Mains	2.00%	268,037		268,037	216,783	51,254	167,988	100,049	-	268,037	-	268,037	-
19	333	Services	3.33%	30,067		30,067	20,596	9,471	7,181	22,886	-	30,067	-	30,067	-
20	334	Meters	8.33%	84,857		84,857	56,072	28,785	84,857	84,857	-	84,857	-	84,857	-
21	335	Hydrants	2.00%	12,042		12,042	7,966	4,076	12,042	12,042	-	12,042	-	12,042	-
22	336	Backflow Prevention Devices	6.67%												
23	339	Other Plant & Misc Equipment	6.67%	16,728		16,728	5,483	11,245	1,305	15,423	-	16,728	-	16,728	-
24	340	Office Furniture & Equipment	6.67%	9,346		9,346	6,503	2,843	9,346	9,346	-	9,346	-	9,346	-
25	340.1	Computers & Software	20.00%	3,500	(3,500)					3,500	-		-		-
26	341	Transportation Equipment	20.00%	88,633		88,633	30,697	57,936	88,633	88,633	-	88,633	-	88,633	-
27	342	Stores Equipment	4.00%												
28	343	Tools, Shop & Garage Equipment	5.00%	949		949	561	388	949	949	-	949	-	949	-
29	344	Laboratory Equipment	10.00%												
30	345	Power Operated Equipment	5.00%	25,405		25,405	17,270	8,134	18,377	7,028	-	25,405	-	25,405	-
31	346	Communication Equipment	10.00%	22,084		22,084	6,239	15,844	22,084	22,084	-	22,084	-	22,084	-
32	347	Miscellaneous Equipment	10.00%												
33	348	Other Tangible Plant	20.00%												
34															
35		TOTAL		765,198	(3,500)	761,698	508,828	252,870	247,655	517,543	-	761,698	-	761,698	-
36		Depreciable Plant													
37		Composite Depreciation Rate													
38															
39															
40															

<sup>1</sup> Per Staff Depreciation Calculation

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2010		Adjusted Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
				Plant Additions	Plant Adjustments								
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	6,843	6,507	336
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	15,204	-	15,204
4	304	Structures & Improvements	3.33%	-	-	-	-	-	1,476	1,476	44,339	30,799	13,540
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	109	109	4,350	2,780	1,570
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	611	611	27,448	22,460	4,989
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	20	20	1,009	714	295
10	310	Power Generation Equipment	5.00%	933	-	933	-	-	23	23	933	23	910
11	311	Pumping Equipment	12.50%	-	-	-	-	-	5,783	5,783	46,268	36,557	9,711
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	213	213	6,406	3,043	3,363
13	320	Water Treatment Plants		-	-	-	-	-	-	-	-	-	-
14	320	Solution Chemical Feeders		-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	667	667	51,684	46,677	5,007
16	330.1	Storage Tanks		-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks		-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	552	-	552	-	-	2,007	2,007	268,589	218,789	49,799
19	333	Services	3.33%	-	-	-	-	-	762	762	30,067	21,358	8,709
20	334	Meters	8.33%	3,780	-	3,780	-	-	7,226	7,226	88,637	63,298	25,339
21	335	Hydrants	2.00%	-	-	-	-	-	241	241	12,042	8,207	3,835
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	1,029	1,029	16,728	6,512	10,216
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	623	623	9,346	7,127	2,219
25	340.1	Computers & Software	20.00%	5,136	-	5,136	-	-	514	514	5,136	514	4,623
26	341	Transportation Equipment	20.00%	(3,412)	-	(3,412)	3,000	3,000	17,085	17,085	82,221	44,782	37,438
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	324	-	324	-	-	56	56	1,274	617	657
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	2,813	-	2,813	-	-	422	422	28,218	17,692	10,526
31	346	Communication Equipment	10.00%	5,136	(5,136)	-	-	-	2,208	2,208	22,084	8,447	13,636
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	20.00%	-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-
35		TOTAL		10,127	-	10,127	3,000	3,000	41,075	41,075	768,824	546,903	221,922
36				-	-	-	-	-	-	-	-	-	-
37		Depreciable Plant		-	-	-	-	-	-	-	499,122	-	499,122
38		Composite Depreciation Rate		-	-	-	-	-	-	-	8.2295%	-	8.2295%
39				-	-	-	-	-	-	-	-	-	-
40		<sup>1</sup> Per Staff Depreciation Calculation		-	-	-	-	-	-	-	-	-	-

<sup>1</sup> Per Staff Depreciation Calculation



Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	2012		Adjusted Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
				Plant Additions	Plant Adjustments								
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	6,843	6,507	336
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	15,204	-	15,204
4	304	Structures & Improvements	3.33%	-	-	-	-	-	1,476	-	44,339	33,752	10,587
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	109	-	4,350	2,997	1,352
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	611	-	27,448	23,682	3,766
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	20	-	1,009	754	255
10	310	Power Generation Equipment	5.00%	6,167	6,167	-	-	-	466	-	12,401	668	11,732
11	311	Pumping Equipment	12.50%	-	-	-	-	-	3,927	-	46,268	46,268	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	213	-	6,406	3,470	2,936
13	320	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-	-
14	320	Solution Chemical Feeders	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	667	-	51,684	48,010	3,674
16	330.1	Storage Tanks	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	(268)	(268)	-	-	-	2,736	-	304,674	223,901	80,773
19	333	Services	3.33%	-	-	-	-	-	762	-	30,067	22,882	7,185
20	334	Meters	8.33%	-	-	-	-	-	7,383	-	88,637	78,065	10,572
21	335	Hydrants	2.00%	-	-	-	-	-	241	-	12,042	8,688	3,353
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	1,029	-	16,728	8,569	8,159
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	623	-	9,346	8,373	973
25	340.1	Computers & Software	20.00%	4,782	4,782	-	-	-	1,505	-	9,918	3,046	6,872
26	341	Transportation Equipment	20.00%	-	-	-	-	-	19,314	-	96,569	81,975	14,594
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	64	-	1,274	744	529
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	2,243	2,243	-	-	-	548	-	30,461	18,732	11,729
31	346	Communication Equipment	10.00%	8,757	(4,782)	3,975	-	-	2,407	-	26,059	13,063	12,996
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	20.00%	-	-	-	-	-	-	-	-	-	-
34													
35		TOTAL		16,899	-	16,899	-	-	44,102	-	841,725	634,149	207,576
36													
37		Depreciable Plant											572,023
38		Composite Depreciation Rate											7.7099%
39													
40													

<sup>1</sup> Per Staff Depreciation Calculation



Line No.		<u>Working Capital</u>
1		
2	Cash Working Capital	\$ 40,455
3	(Schedule B-5, Page 2)	
4		
5	Material and Supplies Inventories	3,024
6		
7	Working Funds and Special Deposits	-
8		
9	Prepayments	-
10		
11	Total Working Capital Allowance	<u>\$ 43,479</u>
12		

Line		
<u>No.</u>		
1		
2	Operation and Maintenance Expense	\$ 315,496
3	Less depreciation, taxes, purchased	
4	power and purchased water	
5	Factor - 1/8	<u>0.1250</u>
6		\$ 39,437
7		
8	Purchased Power and Purchased Water	\$ 24,440
9	Factor - 1/24	<u>0.0417</u>
10		\$ 1,018
11		
12	Total Cash Working Capital	<u><u>\$ 40,455</u></u>
13		
14		

Line No.		Actual for Test Year Ended <u>12/31/2013</u>	Total Pro forma <u>Adjustments</u>	Test Year Results After Pro forma <u>Adjustments</u>	Proposed Rate <u>Increase</u>	Adjusted With Rate <u>Increase</u>
1	<b>Revenues</b>					
2	460 Unmetered Water Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
3	461 Metered Water Revenues	339,618	3,314	342,932	141,603	484,535
4	471 Miscellaneous Service Revenue	12,744	-	12,744	-	12,744
5	<b>Total Revenues</b>	<b>\$ 352,362</b>	<b>\$ 3,314</b>	<b>\$ 355,676</b>	<b>\$ 141,603</b>	<b>\$ 497,280</b>
6	<b>Operating Expenses</b>					
7	601 Salaries and Wages	\$ 164,965	\$ 15,000	\$ 179,965		\$ 179,965
8	603 Salaries and Wages - Officers and Directors	31,700	-	31,700		31,700
9	604 Employee Pension and Benefits	-	-	-		-
10	610 Purchased Water	40	-	40		40
11	615 Purchased Power	24,401	-	24,401		24,401
12	618 Chemicals	425	-	425		425
13	620 Repairs and Maintenance	8,899	-	8,899		8,899
14	621 Office Supplies Expense	30,594	-	30,594		30,594
15	631 Contractual Services - Engineering	-	-	-		-
16	632 Contractual Services - Accounting	620	-	620		620
17	633 Contractual Services - Legal	-	-	-		-
18	634 Contractual Services - Management Fees	-	-	-		-
19	635 Contractual Services - Testing	4,791	-	4,791		4,791
20	636 Contractual Services - Other	10,837	-	10,837		10,837
21	641 Rent - Buildings	-	-	-		-
22	642 Rent - Equipment	-	-	-		-
23	650 Transportation Expense	24,752	-	24,752		24,752
24	656 Insurance - Vehicle	-	-	-		-
25	657 Insurance - General Liability	8,964	-	8,964		8,964
26	658 Insurance - Workman's Compensation	-	-	-		-
27	659 Insurance - Other	2,667	-	2,667		2,667
28	660 Advertising Expense	-	-	-		-
29	666 Regulatory Commission Expense - Rate Case	-	13,333	13,333		13,333
30	667 Regulatory Expense - Other	445	-	445		445
31	668 Water Resource Conservation Expense	-	-	-		-
32	670 Bad Debt Expense	-	1,990	1,990	792	2,782
33	675 Miscellaneous Expense	10,284	(1,435)	8,848		8,848
34	403 Depreciation Expense	28,644	(8,249)	20,394		20,394
35	408 Taxes Other Than Income	-	-	-		-
36	408.11 Property Taxes	18,173	357	18,530	2,459	20,989
37	409 Income Tax	50	(7,545)	(7,495)	34,738	27,242
38	<b>Total Operating Expenses</b>	<b>\$ 371,249</b>	<b>\$ 13,450</b>	<b>\$ 384,699</b>	<b>\$ 37,989</b>	<b>\$ 422,688</b>
39	<b>Operating Income</b>	<b>\$ (18,887)</b>	<b>\$ (10,135)</b>	<b>\$ (29,022)</b>	<b>\$ 103,614</b>	<b>\$ 74,592</b>
40	<b>Other Income (Expense)</b>					
41	419 Interest and Dividend Income	\$ -	\$ -	\$ -		\$ -
42	421 Non-Utility Income	684	-	684		684
43	426 Miscellaneous Non-Utility Expenses	(5,000)	-	(5,000)		(5,000)
44	427 Interest Expense	(1,451)	554	(896)		(896)
45	<b>Total Other Income (Expense)</b>	<b>\$ (5,767)</b>	<b>\$ 554</b>	<b>\$ (5,212)</b>	<b>\$ -</b>	<b>\$ (5,212)</b>
46	<b>Net Income (Loss)</b>	<b>\$ (24,653)</b>	<b>\$ (9,581)</b>	<b>\$ (34,234)</b>	<b>\$ 103,614</b>	<b>\$ 69,380</b>
47						

Chino Meadows II Water Co., Inc.

Test Year Ended December 31, 2013

Income Statement Pro forma Adjustments

Line No.	Actual for Test Year Ended 12/31/2013	ADJ IS-1 Correct Underbilled Revenue	ADJ IS-2 2014 Salary Increase	ADJ IS-3 Recl. Cust. Deposit Interest	ADJ IS-4 Recl. Bad Debt Expense	ADJ IS-5 Case Expense	ADJ IS-6 Adjust Depreciation Expense	ADJ IS-7 Adjust Property Taxes	ADJ IS-8 Income Taxes	Total Adjustments	Test Year Adjusted Results
1	460	Unmetered Water Revenue									
2	461	Metered Water Revenues	339,618								342,932
3	471	Miscellaneous Service Revenue	12,744								12,744
4		<b>Total Revenues</b>	<b>352,362</b>	<b>3,314</b>						<b>3,314</b>	<b>355,676</b>
5		<b>Operating Expenses</b>									
6	601	Salaries and Wages	164,965	15,000						15,000	179,965
7	603	Salaries and Wages - Officers and Directors	31,700								31,700
8	604	Employee Pension and Benefits									
9	610	Purchased Water	40								40
10	615	Purchased Power	24,401								24,401
11	618	Chemicals	425								425
12	620	Repairs and Maintenance	8,899								8,899
13	621	Office Supplies Expense	30,594								30,594
14	631	Contractual Services - Engineering									
15	632	Contractual Services - Accounting	620								620
16	633	Contractual Services - Legal									
17	634	Contractual Services - Management Fees									
18	635	Contractual Services - Testing	4,791								4,791
19	636	Contractual Services - Other	10,837								10,837
20	641	Rent - Buildings									
21	642	Rent - Equipment									
22	650	Transportation Expense	24,752								24,752
23	656	Insurance - Vehicle									
24	657	Insurance - General Liability	8,964								8,964
25	658	Insurance - Workman's Compensation									
26	659	Insurance - Other	2,667								2,667
27	660	Advertising Expense									
28	666	Regulatory Commission Expense - Rate Case			13,333					13,333	13,333
29	667	Regulatory Expense - Other	445								445
30	668	Water Resource Conservation Expense									
31	670	Bad Debt Expense			1,990					1,990	1,990
32	675	Miscellaneous Expense	10,284	554	(1,990)					(1,435)	8,848
33	403	Depreciation Expense	28,644				(8,249)			(8,249)	20,394
34	408	Taxes Other Than Income						357		357	18,530
35	408	Property Taxes	18,173								18,530
36	409	Income Tax	50								50
37		<b>Total Operating Expenses</b>	<b>371,249</b>	<b>15,000</b>	<b>554</b>	<b>13,333</b>	<b>(8,249)</b>	<b>357</b>	<b>(7,545)</b>	<b>13,450</b>	<b>384,699</b>
38		<b>Operating Income</b>	<b>(18,887)</b>	<b>3,314</b>	<b>(554)</b>	<b>(13,333)</b>	<b>8,249</b>	<b>(357)</b>	<b>7,545</b>	<b>(10,135)</b>	<b>(29,022)</b>
39		<b>Other Income (Expense)</b>									
40	419	Interest and Dividend Income									
41	421	Non-Utility Income	684								684
42	426	Miscellaneous Non-Utility Expenses	(5,000)								(5,000)
43	427	Interest Expense	(1,451)		554					554	(896)
44		<b>Total Other Income (Expense)</b>	<b>(5,767)</b>	<b>554</b>	<b>554</b>	<b>(13,333)</b>	<b>8,249</b>	<b>(357)</b>	<b>7,545</b>	<b>(9,581)</b>	<b>(34,234)</b>
45		<b>Net Income (Loss)</b>	<b>(24,653)</b>	<b>3,314</b>	<b>(554)</b>	<b>(13,333)</b>	<b>8,249</b>	<b>(357)</b>	<b>7,545</b>	<b>(9,581)</b>	<b>(34,234)</b>

Witness:

Line

No.

1 Correct Underbilled Revenue

2

3 For the 5/8" x 3/4" Class, usage between 8,001 gallons and 11,000 gallons  
4 was billed at \$3.20 per 1,000 gallons rather than \$4.20 per 1,000 gallons.

5

6 5/8" x 3/4" Class usage between 8,001 gallons and 11,000 gallons

3,314,356 gallons

7 Rate Differential

\$ -

\$ 1.00

8 Underbilled Revenue

3314.36

9

10

11 Increase/(Decrease) in Metered Revenue

\$ 3,314.36

12

13

Witness:

Line

No.

1 Adjust for 2014 Salary Increase

2

3 Total 2014 increase in employee salary \$ 20,000.00

4 Percentage Allocated to Chino Meadows 75%

5 Salary increase for Granite Mountain \$ 15,000.00

6

7 Increase/(Decrease) in Salaries and Wages \$ 15,000.00

8

9

Increase/(Decrease) in Bad Debt Expense

Line

No.

1 Reclass Customer Deposit Interest

2

3

4

5

6

7

8

9

Customer Deposit Interest Charged to Interest Expense

554.43

Increase/(Decrease) in Interest Expense

\$ (554.43)

Increase/(Decrease) in Miscellaneous Expense

\$ 554.43

Chino Meadows II Water Co., Inc.  
Test Year Ended December 31, 2013  
Income Statement Adjustment IS-4

Witness:

Line

No.

1	<u>Reclass Bad Debt Expense</u>	
2		
3		
4	Customer Bad Debt Charged to Miscellaneous Expense	1989.9
5		
6	Increase/(Decrease) in Miscellaneous Expense	<u>\$ (1,989.90)</u>
7		
8	Increase/(Decrease) in Bad Debt Expense	<u>\$ 1,989.90</u>
9		

Adjust Rate Case Expense

Line			
<u>No.</u>			
1	Estimated Rate Case Expense	\$	40,000
2			
3	Amortization Period (Years)		3
4			
5	Annualized Rate Case Expense	\$	<u>13,333</u>
6			
7	Test Year Rate Case Expense		-
8			
9	Increase / (Decrease) in Rate Case Expense		13,333
10			

Adjust Depreciation Expense to Reflect Adjusted Plant Balances

Line No.	Acct Description	Adjusted Test Year Balance 12/31/2013	Fully Depreciated Plant	Depreciable Plant	Proposed Depreciation Rate	Depreciation Expense
1		\$				
2	301 Organization Cost	6,843		6,843	0.00%	\$ -
3	302 Franchise Cost	-		-	0.00%	-
4	303 Land and Land Rights	15,204		15,204	0.00%	-
5	304 Structures & Improvements	44,339		44,339	3.33%	1,476
6	305 Collecting & Impounding Reservoirs	4,350		4,350	2.50%	109
7	306 Lake, River, Canal Intakes	-		-	2.50%	-
8	307 Wells & Springs	27,448	(9,096)	18,352	3.33%	611
9	308 Infiltration Galleries	-		-	6.67%	-
10	309 Raw Water Supply Mains	1,009		1,009	2.00%	20
11	310 Power Generation Equipment	12,401		12,401	5.00%	620
12	311 Pumping Equipment	46,268	(46,268)	-	5.00%	-
13	320 Water Treatment Equipment	6,406		6,406	3.33%	213
14	320.1 Water Treatment Plants	-		-	3.33%	-
15	320.2 Solution Chemical Feeders	-		-	20.00%	-
16	330 Distribution Reservoirs & Standpipes	51,684	(21,661)	30,023	2.22%	667
17	330.1 Storage Tanks	-		-	2.22%	-
18	330.2 Pressure Tanks	-		-	5.00%	-
19	331 Transmission & Distribution Mains	304,674	(167,988)	136,686	2.00%	2,734
20	333 Services	30,067	(7,181)	22,886	3.33%	762
21	334 Meters	89,777		89,777	8.33%	7,478
22	335 Hydrants	12,042		12,042	2.00%	241
23	336 Backflow Prevention Devices	-		-	6.67%	-
24	339 Other Plant & Misc Equipment	16,728	(1,305)	15,423	6.67%	1,029
25	340 Office Furniture & Equipment	9,346		9,346	6.67%	623
26	340.1 Computers & Software	10,107		10,107	20.00%	2,021
27	341 Transportation Equipment	96,569	(96,569)	-	15.00%	-
28	342 Stores Equipment	-		-	4.00%	-
29	343 Tools, Shop & Garage Equipment	1,274		1,274	5.00%	64
30	344 Laboratory Equipment	-		-	10.00%	-
31	345 Power Operated Equipment	31,461	(18,377)	13,084	5.00%	654
32	346 Communication Equipment	25,929		25,929	10.00%	2,593
33	347 Miscellaneous Equipment	-		-	10.00%	-
34	348 Other Tangible Plant	-		-	20.00%	-
35	TOTALS	\$ 843,924	\$ (368,444)	\$ 475,480		\$ 21,916
36						
37	Less: Amortization of CIAC	\$ 31,478			4.8333%	\$ 1,521
38						
39	Adjusted Test Year Depreciation Expense					\$ 20,394
40						
41	Test Year Depreciation Expense					\$ 28,644
42						
43	Increase / (Decrease) in Depreciation Expense					\$ (8,249)

Adjust Property Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	<u>Description</u>	Company <u>As Adjusted</u>	Company <u>Proposed</u>			
1	Adjusted Test Year Revenue	\$ 355,676	\$ 355,676			
2	Adjusted Test Year Revenue	355,676	355,676			
3	Adjusted Test Year Revenue	355,676				
4	Proposed Revenues after Increase		497,280			
5	Average of three year's of revenue	355,676	402,877			
6	Average of three year's of revenue, times 2	711,353	805,755			
7	Add:					
8	Construction Work In Progress at 10%	-	-			
9	Deduct:					
10	Net Book Value of Transportation Equipment	-	-			
11						
12	Full Cash Value	711,353	805,755			
13	Assessment Ratio	19.5%	19.5%			
14	Assessed Value	138,714	157,122			
15	Property Tax Rate (2012 Tax Year)	13.3582%	13.3582%			
16						
17	Adjusted Test Year Property Tax	\$ 18,530				
18	Recorded Test Year Property Tax	<u>18,173</u>				
19	Test Year Adjustment	\$ 357				
20						
21	Property Tax at Proposed Rates		\$ 20,989			
22	Adjusted Test Year Property Tax		<u>18,530</u>			
23	Increase in Property Tax due to Rate Increase		<u>\$ 2,459</u>			
24						
25	<u>Calculation of Property Tax Factor</u>					
26	Increase to Property Tax Expense		\$ 2,459			
27	Increase in Revenue Requirement		<u>\$ 141,603</u>			
28	Property Tax Factor (L25 / L26)		1.7366%			
29						
30		2013				
31	CALCULATION OF TAX RATE	<u>Value</u>	<u>Ratio</u>	<u>Tax Value</u>	<u>Tax</u>	<u>Rate</u>
32	947-25-131	583,000	19.5%	113,685	15,186	13.3582%

Adjust Income Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	Description	Adjusted Test Year	Proposed with Increase
1			
2	<u>Calculation of Income Tax:</u>		
3	Revenue	\$ 355,676	\$ 497,280
4	Less: Operating Expenses (Excluding Income Taxes)	392,194	395,445
5	Less: Synchronized Interest	-	-
6	Arizona Taxable Income	<u>\$ (36,518)</u>	<u>\$ 101,834</u>
7			
8	All Income at 6.5000%	\$ (2,374)	\$ 6,619
9			
10			
11			
12			
13	Arizona Income Tax	<u>\$ (2,374)</u>	<u>\$ 6,619</u>
14	Federal Taxable Income	<u>\$ (34,144)</u>	<u>\$ 95,215</u>
15			
16	Federal Tax on First Income Bracket (\$1 - \$50,000) @ 15%	\$ (5,122)	\$ 7,500
17	Federal Tax on Second Income Bracket (\$50,001 - 75,000) @ 25%	\$ -	6,250.00
18	Federal Tax on Third Income Bracket (\$75,001 - 100,000) @ 34%	\$ -	6,873.12
19	Federal Tax on Fourth Income Bracket (\$100,001 - 335,000) @ 39%	\$ -	-
20	Federal Tax on Fifth Income Bracket (\$335,001 - 10,000,000) @ 34%	\$ -	-
21	Federal Tax on Sixth Income Bracket (\$10,000,001 - 15,000,000) @ 35%	\$ -	-
22	Federal Tax on Seventh Income Bracket (\$15,000,001 - 18,333,333) @ 38%	\$ -	-
23	Federal Tax on Eighth Income Bracket (\$18,333,334 - ..... ) @ 35%	\$ -	-
24			
25	Total Federal Income Tax	<u>\$ (5,122)</u>	<u>\$ 20,623</u>
26			
27	Combined Federal and State Income Tax	<u>\$ (7,495)</u>	<u>\$ 27,242</u>
28			
29	Effective State Tax Rate	6.5000%	6.5000%
30	Effective Federal Tax Rate	15.0000%	21.6595%
31	Effective Combined Tax Rate	20.5250%	26.7516%
32			
33	Applicable Arizona State Income Tax Rate (Rate Applicable to Revenue Increase)		6.5000%
34	Applicable Federal Income Tax Rate (Rate Applicable to Revenue Increase)		19.9018%
35			
36	<u>Calculation of Interest Synchronization</u>		
37	Rate Base	\$ 171,398	
38	Weighted Average Cost of Debt	0.000%	
39	Synchronized Interest	<u>\$ -</u>	
40			
41	<u>Income Tax Adjustments</u>		
42	Test Year Income Taxes - Booked	\$ 50	
43	Increase / (decrease) in Income Taxes (L21 - L32)	<u>(7,545)</u>	
44			
45	Test Year Income Taxes - Adjusted		<u>\$ (7,495)</u>
46	Increase / (decrease) in Federal Income Taxes (L21 - L35)		<u>34,738</u>
47			
48			

Line No.	Calculation of Gross Revenue Conversion Factor		
1	Revenue		100.0000%
2	Uncollectable Factor (Line 11)		0.4190%
3	Revenue (L1 - L2)		99.5810%
4	Combined Income Tax and Property Tax Rate (Line 23)		26.4087%
5	Operating Income Percentage (L3 -L4)		73.1723%
6	Gross Revenue Conversion Factor (L1 / L5)		1.366637
	<u>Calculation of Uncollectable Factor</u>		
7	Unity		100.0000%
8	Combined Federal and State Tax Rate (Line 17)		25.1081%
9	One Minus Combined Federal and State Tax Rate (L7 - L8)		74.8919%
10	Uncollectable Rate (Line 26)		0.5595%
11	Uncollectable Factor (L9 * L10)		0.4190%
	<u>Calculation of Effective Tax Rate</u>		
12	Operating Income Before Taxes		100.0000%
13	Applicable Arizona State Tax Rate (from Schedule C-2)		6.5000%
14	Federal Taxable Income (L12 - L13)		93.5000%
15	Applicable Federal Tax Rate (from Schedule C-2)		19.9018%
16	Effective Federal Tax Rate (L14 * L15)		18.6081%
17	Combined Federal and State Tax Rate (L13 + L16)		25.1081%
	<u>Calculation of Effective Property Tax Rate</u>		
18	Unity		100.0000%
19	Combined Federal and State Tax Rate (Line 17)		25.1081%
20	One Minus Combined Income Tax Rate (L18 - L19)		74.8919%
21	Property Tax Factor (from Schedule C-2)		1.7366%
22	Effective Property Tax Factor (L20 * L21)		1.3005%
23	Combined Federal and State Income Tax Rate and Property Tax Rate (L17 + L22)		26.4087%
	<u>Calculation of Uncollectable Rate</u>		
24	Bad Debt Expense (from Schedule C-1)	\$ 1,990	
25	Total Revenues (from Schedule C-1)	355,676	
26	Uncollectable Rate (L24 / L25)		0.5595%
27	Revenue Increase (from Schedule C-1)	\$ 141,603	
28	Uncollectable Rate (Line 26)	0.5595%	
29	Bad Debt Expense due to Increase	\$ 792	

Line <u>No.</u>		Operating Margin <u>Method</u>
1	Adjusted Test Year Revenue	\$ 355,676
2		
3	Test Year Operating Income	\$ (29,022)
4		
5	Test Year Operating Margin	-8.16%
6		
7	Required Operating Margin	15.00%
8		
9	Required Operating Income	\$ 74,592
10		
11	Operating Income Deficiency	\$ 103,614
12		
13	Gross Revenue Conversion Factor	1.3666
14		
15	Increase in Gross Revenue	\$ 141,603
16		
17	Adjusted Test Year Revenue	\$ 355,676
18		
19	Proposed Annual Revenue	\$ 497,280
20		
21	Percent Increase in Gross Revenue	39.81%
22		
23		
24		

Line No.	Invested Capital	End of Test Year (Adjusted)			
		Amount	Percent of Total	Cost Rate	Weighted Cost
1					
2	Long-Term Debt	\$ -	0.00%	0.000%	0.000%
3					
4	Short-Term Debt	\$ -	0.00%		0.000%
5					
6	Adjusted Common Equity	\$ 140,105	100.00%	10.000%	10.000%
7					
8	Totals	<u>\$ 140,105</u>	<u>100.00%</u>		<u>10.000%</u>
9					
10					
11	<u>Equity Adjustments</u>				
12	Common Equity per Sch. E-1	\$ 187,454			
13					
14	PIS Equity Adjustments	\$ -			
15	A/D Equity Adjustments	(55,722)			
16	AIAC Equity Adjustment	-			
17	CIAC Equity Adjustment	(0)			
18	AA CIAC Equity Adjustment	8,374			
19					
20	Adjusted Common Equity	<u>\$ 140,105</u>			
21					
22					

Line No.	Description	Present Rate Tiers (gallons)	Proposed Rate Tiers (gallons)	Base Charge			Volume Charge			
				Present Rate	Proposed Rate	Change	Present Rate	Proposed Rate	Change	
1	<b>General Water Service Rates</b>									
5	R1 - 5/8" x 3/4" Meter	Tier 1	3,000	3,000	\$ 17.75	\$ 23.10	\$ 5.35	\$ 2.40	\$ 3.50	\$ 1.10
6		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
7		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
8	R2 - 3/4" Meter	Tier 1	3,000	3,000	\$ 26.63	\$ 34.65	\$ 8.02	\$ 2.40	\$ 3.50	\$ 1.10
9		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
10		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
11	R3 - 1" Meter	Tier 1	3,000	3,000	\$ 44.38	\$ 57.75	\$ 13.37			
12		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
13		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
14	R4 - 1.5" Meter	Tier 1	3,000	3,000	\$ 88.75	\$ 115.50	\$ 26.75			
15		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
16		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
17	R5 - 2" Meter	Tier 1	3,000	3,000	\$ 142.00	\$ 184.80	\$ 42.80			
18		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
19		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
20	R6 - 3" Meter	Tier 1	3,000	3,000	\$ 266.25	\$ 369.60	\$ 103.35			
21		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
22		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
23	R7 - 4" Meter	Tier 1	3,000	3,000	\$ 443.75	\$ 577.50	\$ 133.75			
24		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
25		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
26	R8 - 6" Meter	Tier 1	3,000	3,000	\$ 887.50	\$ 1,155.00	\$ 267.50			
27		Tier 2	8,000	8,000				\$ 3.20	\$ 5.20	\$ 2.00
28		Tier 3	999,999,000	999,999,000				\$ 4.20	\$ 6.60	\$ 2.40
29	Hydrant Meter	Tier 3	999,999,000	999,999,000		By Meter Size		\$ 4.20	\$ 6.60	\$ 2.40
31	<b>Monthly Service Charge for Fire Sprinkler</b>									
32		Present	Proposed							
33		<u>Rates</u>	<u>Rates</u>							
34	4" or Smaller	*	n/t							
35	6"	*	n/t							
36	8"	*	n/t							
37	10"	*	n/t							
39	* 2.00 percent of Monthly Usage Charge for a Comparable Sized Meter Connection, but no less than									
40	\$10.00 per month. The Service Charge for Fire Sprinklers is only applicable for service lines separate									
41	and distinct from the primary water service line.									
42										

Line

No.

	Present	Proposed
	<u>Rates</u>	<u>Rates</u>
1 <b>Other Service Charges</b>		
2		
3 Establishment	\$ 25.00	\$ 25.00
4 Reconnection (Delinquent)	\$ 30.00	\$ 35.00
5 After Hours Charge	\$ 25.00	\$ 25.00
6 Meter Test (If correct)	\$ 20.00	\$ 35.00
7 Deposit Requirement (Residential)	2 times the average bill	2 times the average bill
8 Deposit Interest	6% per year	6% per year
9 Re-Establishment (Within 12 Months)	Number of Months off system times the monthly minimum charge	Number of Months off system times the monthly minimum charge
10 NSF Check	\$ 20.00	\$ 20.00
11 Deferred Payment, Per Month	1.5%	1.5%
12 Meter Re-Read (If correct)	\$ 15.00	\$ 15.00
13 Moving Customer Meter at Customer Request		
14 Late Charge per month	1.50%	1.50%
15		
16 In addition to the collection of regular rates, the utility will collect from its		
17 customers a proportionate share of any privilege, sales, use, and franchise tax,		
18 per Commission rule A.A.C. 14-2-409(D)(5).		
19		
20 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.		
21		
22 n/t - no tariff		
23		

24 **Service Line and Meter Installation Charges**

	Present Rates			Proposed Rates		
	<u>Srv. Line</u>	<u>Meter</u>	<u>Total</u>	<u>Srv. Line</u>	<u>Meter</u>	<u>Total</u>
25						
26 5/8" x 3/4" Meter	\$ 406	\$ 95	\$ 501	\$ 450	\$ 150	\$ 600
27 3/4" Meter	\$ 413	\$ 162	\$ 575	\$ 450	\$ 250	\$ 700
28 1" Meter	\$ 441	\$ 209	\$ 650	\$ 575	\$ 300	\$ 875
29 1 1/2" Meter	\$ 395	\$ 321	\$ 716	\$ 675	\$ 500	\$ 1,175
30 2" Meter	\$ 727	\$ 845	\$ 1,572	\$ 1,000	\$ 1,500	\$ 2,500
31 3" Meter	\$ 952	\$ 1,448	\$ 2,400	\$ 1,300	\$ 2,000	\$ 3,300
32 4" Meter	\$ 1,310	\$ 2,206	\$ 3,516	\$ 1,800	\$ 3,500	\$ 5,300
33 6" Meter	\$ 2,160	\$ 4,756	\$ 6,916	\$ 2,800	\$ 6,000	\$ 8,800
34						

35 All advances and/or contributions are to include labor, materials and parts, overheads and all applicable taxes,  
 36 including gross-up taxes for Federal and State taxes, if applicable.

37

38 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.

39

40 n/t - no tariff

41

Line No.	Description	Average Number Customers	Average Consumption	Revenues		Proposed	
				Present Rates	Proposed Rates	Increase Amount	Increase %
1							
2	<u>Unmetered Water Revenue</u>						
3	Fire Service	-		\$ -	\$ -	\$ -	
4							
5	<u>Metered Water Revenue</u>						
6	R1 - 5/8" x 3/4" Meter	895	4,931	\$ 346,110	\$ 488,210	\$ 142,101	41.06%
7	R2 - 3/4" Meter	-	-	-	-	-	
8	R3 - 1" Meter	-	-	-	-	-	
9	R4 - 1.5" Meter	-	-	-	-	-	
10	R5 - 2" Meter	-	-	-	-	-	
11	R6 - 3" Meter	-	-	-	-	-	
12	R7 - 4" Meter	-	-	-	-	-	
13	R8 - 6" Meter	-	-	-	-	-	
14	Hydrant Meter						
15							
16	<b>Totals:</b>						
17	<u>Unmetered Water Revenue</u>						
18	Fire Service	-		\$ -	\$ -	\$ -	
19							
20	<u>Metered Water Revenue</u>						
21	All Customers	895	59,192	346,110	488,210	142,101	41.06%
22							
23	Other Water Revenue			\$ 12,744	\$ 12,744	-	0.00%
24							
25	Total	<u>895</u>		<u>\$ 358,854</u>	<u>\$ 500,954</u>	<u>\$ 142,101</u>	<u>39.60%</u>
26							

Supplemental Schedule  
 Breakdown of Metered Water Revenue at Current Rates  
 By Rate Components

Line No.	Description	Revenue at Current Rates				Total Revenue
		Base Charge	1st Tier	2nd Tier	3rd Tier	
1						
2	R1 - 5/8" x 3/4" Meter	\$ 190,706	\$ 64,900	\$ 58,952	\$ 31,551	\$ 346,110
3	R2 - 3/4" Meter	-	-	-	-	-
4	R3 - 1" Meter	-	-	-	-	-
5	R4 - 1.5" Meter	-	-	-	-	-
6	R5 - 2" Meter	-	-	-	-	-
7	R6 - 3" Meter	-	-	-	-	-
8	R7 - 4" Meter	-	-	-	-	-
9	R8 - 6" Meter	-	-	-	-	-
10	R9 - 8" Meter	-	-	-	-	-
11	Hydrant Meter	-	-	-	-	-
12						
13	Total Revenue	\$ 190,706	\$ 64,900	\$ 58,952	\$ 31,551	\$ 346,110
14						
15	Percentage of Total	55.10%	18.75%	17.03%	9.12%	100.00%
16						

Supplemental Schedule  
 Breakdown of Metered Water Revenue at Proposed Rates  
 By Rate Components

Line No.	Description	Revenue at Proposed Rates				Total Revenue
		Base Charge	1st Tier	2nd Tier	3rd Tier	
1						
2	R1 - 5/8" x 3/4" Meter	\$ 248,186	\$ 94,646	\$ 95,797	\$ 49,581	\$ 488,210
3	R2 - 3/4" Meter	-	-	-	-	-
4	R3 - 1" Meter	-	-	-	-	-
5	R4 - 1.5" Meter	-	-	-	-	-
6	R5 - 2" Meter	-	-	-	-	-
7	R6 - 3" Meter	-	-	-	-	-
8	R7 - 4" Meter	-	-	-	-	-
9	R8 - 6" Meter	-	-	-	-	-
10	R9 - 8" Meter	-	-	-	-	-
11	Hydrant Meter	-	-	-	-	-
12						
13	Total Revenue	\$ 248,186	\$ 94,646	\$ 95,797	\$ 49,581	\$ 488,210
14						
15	Percentage of Total Revenue	50.84%	19.39%	19.62%	10.16%	100.00%
16						
17	Percentage Increase by Tier	30.14%	45.83%	62.50%	57.14%	41.06%
18						

Supplemental Schedule  
 Metered Water Revenue at Proposed Rates  
 Analysis of Increases by Rate Tier

Line No.		Base Charge	1st Tier	2nd Tier	3rd Tier	Total Revenue
1	Revenue at Current Rates	\$ 190,706	\$ 64,900	\$ 58,952	\$ 31,551	\$ 346,110
2	Revenue at Company's Proposed Rates	<u>248,186</u>	<u>94,646</u>	<u>95,797</u>	<u>49,581</u>	<u>488,210</u>
3	Increase in Rates	\$ 57,480	\$ 29,746	\$ 36,845	\$ 18,029	\$ 142,101
4						
5	Percentage Increase by Tier	30.1%	45.8%	62.5%	57.1%	41.1%
6	Percentage of Increase within Tier	40.5%	20.9%	25.9%	12.7%	100.0%
7						
8						
9						
10						
11		Base Charge	1st Tier	2nd Tier	3rd Tier	Total Revenue
12	Revenue at Current Rates	\$ 190,706	\$ 64,900	\$ 58,952	\$ 31,551	\$ 346,110
13	Revenue at Company's Proposed Rates	\$ 248,186	\$ 94,646	\$ 95,797	\$ 49,581	\$ 488,210
14						
15	<u>Percentage of Total Revenue</u>					
16	Current Rates	55.1%	18.8%	17.0% #	9.1%	100.0%
17	Company's Proposed Rates	<u>50.8%</u>	<u>19.4%</u>	<u>19.6% #</u>	<u>10.2%</u>	<u>100.0%</u>
18	Change	-4.3%	0.6%	2.6%	1.0%	0.0%
19						
20						

Line		
<u>No.</u>	<u>Metered Revenue Reconciliation</u>	<u>Total</u>
1		
2	G.L. Revenue	\$ 339,618
3	Proforma Revenue Adjustments	<u>3,314</u>
4	Adjusted G.L. Revenue	\$ 342,932
5		
6	Bill Count Revenue	346,110
7		
8	Unreconciled Difference	\$ 3,177
9	Percentage Difference	0.93%
10		
11		
12		

Meter Size: 5/8" x 3/4"  
 Rate Code: R1

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<b>Present Rates:</b>	-	\$ 17.75	\$ 23.10	\$ 5.35	30.14%
2	Base Charge:	1,000	\$ 20.15	\$ 26.60	\$ 6.45	32.01%
3		2,000	\$ 22.55	\$ 30.10	\$ 7.55	33.48%
4		3,000	\$ 24.95	\$ 33.60	\$ 8.65	34.67%
5	Tier One Rate:	4,000	\$ 28.15	\$ 38.80	\$ 10.65	37.83%
6	Tier Two Rate:	5,000	\$ 31.35	\$ 44.00	\$ 12.65	40.35%
7	Tier Three Rate:	6,000	\$ 34.55	\$ 49.20	\$ 14.65	42.40%
8		7,000	\$ 37.75	\$ 54.40	\$ 16.65	44.11%
9	Tier One Breakover (M gal):	3	\$ 40.95	\$ 59.60	\$ 18.65	45.54%
10	Tier Two Breakover (M gal):	8	\$ 45.15	\$ 66.20	\$ 21.05	46.62%
11	Tier Three Breakover (M gal):	999,999	\$ 49.35	\$ 72.80	\$ 23.45	47.52%
12		12,000	\$ 57.75	\$ 86.00	\$ 28.25	48.92%
13		14,000	\$ 66.15	\$ 99.20	\$ 33.05	49.96%
14	<b>Proposed Rates:</b>	16,000	\$ 74.55	\$ 112.40	\$ 37.85	50.77%
15	Base Charge:	18,000	\$ 82.95	\$ 125.60	\$ 42.65	51.42%
16		20,000	\$ 91.35	\$ 138.80	\$ 47.45	51.94%
17		25,000	\$ 112.35	\$ 171.80	\$ 59.45	52.91%
18	Tier One Rate:	30,000	\$ 133.35	\$ 204.80	\$ 71.45	53.58%
19	Tier Two Rate:	35,000	\$ 154.35	\$ 237.80	\$ 83.45	54.07%
20	Tier Three Rate:	40,000	\$ 175.35	\$ 270.80	\$ 95.45	54.43%
21		45,000	\$ 196.35	\$ 303.80	\$ 107.45	54.72%
22	Tier One Breakover (M gal):	3	\$ 217.35	\$ 336.80	\$ 119.45	54.96%
23	Tier Two Breakover (M gal):	8	\$ 259.35	\$ 402.80	\$ 143.45	55.31%
24	Tier Three Breakover (M gal):	999,999	\$ 301.35	\$ 468.80	\$ 167.45	55.57%
25		80,000	\$ 343.35	\$ 534.80	\$ 191.45	55.76%
26		90,000	\$ 385.35	\$ 600.80	\$ 215.45	55.91%
27		100,000	\$ 427.35	\$ 666.80	\$ 239.45	56.03%
28						
29		Average Usage				
30		4,931	\$ 31.13	\$ 43.64	\$ 12.51	40.19%
31		Median Usage				
32		3,469	\$ 26.45	\$ 36.04	\$ 9.59	36.26%
33						
34						

Meter Size: 5/8" x 3/4"  
 Rate Code: R1

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 17.75	\$ 23.10
Tier One Breakover (M gal):	3	3	Tier One Rate:	\$ 2.40	\$ 3.50
Tier Two Breakover (M gal):	8	8	Tier Two Rate:	\$ 3.20	\$ 5.20
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 4.20	\$ 6.60

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	248	50%		248	2.31%	-	0.00%
2	1 - 1,000	733	507	371,645	981	9.13%	371,645	0.70%
3	1,001 - 2,000	1,249	1,518	1,896,321	2,230	20.76%	2,267,966	4.28%
4	2,001 - 3,000	1,565	2,509	3,926,836	3,795	35.32%	6,194,802	11.69%
5	3,001 - 4,000	1,610	3,489	5,617,828	5,405	50.31%	11,812,630	22.30%
6	4,001 - 5,000	1,376	4,481	6,166,015	6,781	63.11%	17,978,645	33.94%
7	5,001 - 6,000	1,114	5,480	6,104,714	7,895	73.48%	24,083,359	45.46%
8	6,001 - 7,000	735	6,463	4,750,190	8,630	80.32%	28,833,549	54.43%
9	7,001 - 8,000	536	7,475	4,006,731	9,166	85.31%	32,840,280	61.99%
10	8,001 - 9,000	381	8,510	3,242,395	9,547	88.86%	36,082,675	68.11%
11	9,001 - 10,000	271	9,491	2,572,010	9,818	91.38%	38,654,685	72.97%
12	10,001 - 12,000	355	10,924	3,877,865	10,173	94.69%	42,532,550	80.29%
13	12,001 - 14,000	177	12,883	2,280,340	10,350	96.33%	44,812,890	84.59%
14	14,001 - 16,000	117	14,876	1,740,480	10,467	97.42%	46,553,370	87.88%
15	16,001 - 18,000	94	16,972	1,595,330	10,561	98.30%	48,148,700	90.89%
16	18,001 - 20,000	52	18,926	984,160	10,613	98.78%	49,132,860	92.74%
17	20,001 - 25,000	70	22,087	1,546,090	10,683	99.43%	50,678,950	95.66%
18	25,001 - 30,000	28	27,000	756,010	10,711	99.69%	51,434,960	97.09%
19	30,001 - 35,000	12	31,955	383,460	10,723	99.80%	51,818,420	97.81%
20	35,001 - 40,000	9	38,432	345,890	10,732	99.89%	52,164,310	98.47%
21	40,001 - 50,000	6	42,990	257,940	10,738	99.94%	52,422,250	98.95%
22	50,001 - 60,000	3	52,430	157,290	10,741	99.97%	52,579,540	99.25%
23	60,001 - 70,000	1	67,740	67,740	10,742	99.98%	52,647,280	99.38%
24	70,001 - 80,000	-	-	-	10,742	99.98%	52,647,280	99.38%
25	80,001 - 90,000	-	-	-	10,742	99.98%	52,647,280	99.38%
26	90,001 - 100,000	1	97,550	97,550	10,743	99.99%	52,744,830	99.56%
27	231,670 - 231,670	1	231,670	231,670	10,744	100.00%	52,976,500	100.00%
28					10,744	100.00%	52,976,500	100.00%
29					10,744	100.00%	52,976,500	100.00%
30					10,744	100.00%	52,976,500	100.00%
31								
32	Totals	10,744		52,976,500	10,744		52,976,500	
33								
34	Total Bills	10,744						

	Current Rates		Proposed Rates	
	Units	Revenue	Units	Revenue
Base Charge	10,744	\$ 190,706	10,744	\$ 248,186
Average Number of Customers	895			
Average Consumption (gallons)	4,931			
Median Consumption (gallons)	3,469			
Usage (gallons)				
Tier One	27,041,802	\$ 64,900	27,041,802	\$ 94,646
Tier Two	18,422,478	58,952	18,422,478	95,797
Tier Three	7,512,220	31,551	7,512,220	49,581
Usage Totals	52,976,500		52,976,500	
Revenue Totals		\$ 346,110		\$ 488,210

Line No.		Prior Year Ended <u>12/31/2012</u>	Test Year Ended <u>12/31/2013</u>
1	<b>Revenues</b>		
2	460 Unmetered Water Revenue		
3	461 Metered Water Revenues	341,613	339,618
4	471 Miscellaneous Service Revenue	10,254	12,744
5	<b>Total Revenues</b>	<u>\$ 351,868</u>	<u>\$ 352,362</u>
6	<b>Operating Expenses</b>		
7	601 Salaries and Wages	\$ 129,890	\$ 164,965
8	603 Salaries and Wages - Officers and Directors	31,762	31,700
8	604 Employee Pension and Benefits		
9	610 Purchased Water	219	40
10	615 Purchased Power	22,483	24,401
11	618 Chemicals	1,192	425
12	620 Repairs and Maintenance	10,219	8,899
13	621 Office Supplies Expense	25,403	30,594
14	631 Contractual Services - Engineering		
15	632 Contractual Services - Accounting	1,600	620
16	633 Contractual Services - Legal		
17	634 Contractual Services - Management Fees		
18	635 Contractual Services - Testing	4,323	4,791
19	636 Contractual Services - Other	20,095	10,837
20	641 Rent - Buildings	11,700	
21	642 Rent - Equipment		
22	650 Transportation Expense	27,359	24,752
23	656 Insurance - Vehicle		
24	657 Insurance - General Liability	9,544	8,964
25	658 Insurance - Workman's Compensation		
26	659 Insurance - Other	1,480	2,667
27	660 Advertising Expense		
28	666 Regulatory Commission Expense - Rate Case		
29	667 Regulatory Expense - Other	10,074	445
30	668 Water Resource Conservation Expense		
31	670 Bad Debt Expense		
32	675 Miscellaneous Expense	9,623	10,284
33	403 Depreciation Expense	28,840	28,644
34	408 Taxes Other Than Income	179	
35	408.11 Property Taxes	16,107	18,173
36	409 Income Tax	50	50
37	<b>Total Operating Expenses</b>	<u>\$ 362,140</u>	<u>\$ 371,249</u>
38	<b>Operating Income</b>	<u>\$ (10,272)</u>	<u>\$ (18,887)</u>
39	<b>Other Income (Expense)</b>		
40	419 Interest and Dividend Income		
41	421 Non-Utility Income	8,045	684
42	426 Miscellaneous Non-Utility Expenses		(5,000)
43	427 Interest Expense	(1,471)	(1,451)
44	<b>Total Other Income (Expense)</b>	<u>\$ 6,574</u>	<u>\$ (5,767)</u>
45	<b>Net Income (Loss)</b>	<u>\$ (3,698)</u>	<u>\$ (24,653)</u>
46			

Line No.		Prior Year Ended <u>12/31/2012</u>	Test Year Ended <u>12/31/2013</u>
1	<b>ASSETS</b>		
2	<b>PROPERTY PLANT AND EQUIPMENT</b>		
3	101 Utility Plant In Service	\$ 841,725	\$ 843,924
4	103 Property Held for Future Use		
5	105 Construction Work in Progress		
6	108 Less: Accumulated Depreciation	(586,207)	(614,851)
7	<b>Net Plant</b>	<u>\$ 255,518</u>	<u>\$ 229,073</u>
8			
9	<b>CURRENT ASSETS</b>		
10	131 Cash and Equivalents	\$ 8,312	\$ 5,820
11	132 Special Deposits		
12	141 Customer Accounts Receivable	27,190	34,846
13	146 Notes/Receivables from Associated Companies	16,952	19,056
14	151 Plant Materials and Supplies	3,024	3,024
15	162 Prepayments		
16	174 Miscellaneous Current and Accrued Assets		
17	<b>Total Current Assets</b>	<u>\$ 55,477</u>	<u>\$ 62,746</u>
18			
19	<b>DEFERRED DEBITS</b>		
20	186 Deferred Debits		
21			
22	<b>TOTAL ASSETS</b>	<u>\$ 310,995</u>	<u>\$ 291,819</u>
23			
24	<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
25	<b>CAPITAL ACCOUNTS</b>		
26	201 Common Stock Issued	\$ 8,597	\$ 8,597
27	211 Paid in Capital	80,266	80,266
28	215 Retained Earnings	123,244	98,591
29	<b>Total Capital</b>	<u>\$ 212,107</u>	<u>\$ 187,454</u>
30			
31	<b>LONG-TERM DEBT</b>		
32	221 Bonds		
33	224 Other Long-Term Debt		
34	<b>Total long-Term Debt</b>	<u>\$ -</u>	<u>\$ -</u>
35			
36	<b>CURRENT LIABILITIES</b>		
37	231 Accounts Payable	\$ 1,700	\$ 1,700
38	232 Notes Payable		
40	234 Payable to Associated Companies	19,891	36,500
41	235 Customer Deposits	11,149	10,596
42	236 Accrued Taxes	7,776	4,438
43	237 Accrued Interest		
44	241 Miscellaneous Current Liabilities	16,306	9,066
45	<b>Total Current Liabilities</b>	<u>\$ 56,822</u>	<u>\$ 62,299</u>
46			
47	<b>DEFERRED CREDITS</b>		
48	252 Advances in Aid of Construction	\$ 13,219	\$ 13,219
49	271 Contributions in Aid of Construction	31,478	31,478
50	272 Accumulated Amortization CIAC	(2,631)	(2,631)
51	281 Accumulated Deferred Income Tax		
52	<b>Total Deferred Credits</b>	<u>\$ 42,066</u>	<u>\$ 42,066</u>
53			
54	<b>Total Liabilities &amp; Common Equity</b>	<u>\$ 310,995</u>	<u>\$ 291,819</u>
55			

**SUPPLEMENT NO. 3**

**Plant Asset Support**

5:24 AM

08/25/14

Accrual Basis

**Chino Meadows II Water Co., Inc.**  
**Account QuickReport**  
 As of December 31, 2013

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>1101.00 · Utility Plant in Service</b>							754,527.45
<b>1301.00 · Organization</b>							6,843.02
Total 1301.00 · Organization							6,843.02
<b>1303.00 · Land and Land Rights</b>							15,204.06
Total 1303.00 · Land and Land Rights							15,204.06
<b>1304.00 · Structures and Improvements</b>							44,339.01
Total 1304.00 · Structures and Improvements							44,339.01
<b>1305.00 · Collecting &amp; Impounding Reservo</b>							4,349.74
Total 1305.00 · Collecting & Impounding Reservo							4,349.74
<b>1307.00 · Wells &amp; Springs</b>							27,448.37
Total 1307.00 · Wells & Springs							27,448.37
<b>1309.00 · Supply Mains</b>							1,009.20
General Journal	01/01/2013	ml		Adj to match d...	1346.10 · Offic...	0.01	1,009.21
Total 1309.00 · Supply Mains						0.01	1,009.21
<b>1310.00 · Power Generation Equipment</b>							0.00
Check	07/23/2010	3070	Prescott Pump Servi...	Backup Power...	1131.02 · Chec...	933.26	933.26
Check	03/24/2011	3536	American Express	MQ Power 45...	1131.02 · Chec...	5,300.00	6,233.26
Check	10/10/2012	5520	Prescott Pump Servi...	Donna Well-In...	1131.04 · Natio...	3,083.68	9,316.94
Check	10/10/2012	5520	Prescott Pump Servi...	Cactus Wren ...	1131.04 · Natio...	3,083.68	12,400.62
Total 1310.00 · Power Generation Equipment						12,400.62	12,400.62
<b>1311.00 · Pumping Equipment</b>							46,267.62
Total 1311.00 · Pumping Equipment							46,267.62
<b>1320.00 · Water Treatment Equipment</b>							6,406.03
Total 1320.00 · Water Treatment Equipment							6,406.03
<b>1330.00 · Distribution Reservoirs &amp; Stand</b>							51,683.88
<b>1330.02 · Pressure Tanks</b>							0.00
General Journal	05/19/2011	ml		Move 5K Gal ...	1330.00 · Distri...	6,540.81	6,540.81
Total 1330.02 · Pressure Tanks						6,540.81	6,540.81
<b>1330.00 · Distribution Reservoirs &amp; Stand - Other</b>							51,683.88
General Journal	05/19/2011	ml		Move 5K Gal ...	1330.02 · Pres...	-6,540.81	45,143.07
Total 1330.00 · Distribution Reservoirs & Stand - Other						-6,540.81	45,143.07
Total 1330.00 · Distribution Reservoirs & Stand						0.00	51,683.88
<b>1331.00 · Transmission &amp; Distribution Mai</b>							268,036.77
Check	12/27/2010	3372	Ferguson Waterworks	Inv 0148512 (...	1131.02 · Chec...	552.01	268,588.78
General Journal	04/23/2011	ml		Center St Ext-...	1105.00 · Cons...	36,353.00	304,941.78
General Journal	12/31/2012	JLF		Adjust Balanc...	7421.01 · Disp...	-267.60	304,674.18
Total 1331.00 · Transmission & Distribution Mai						36,637.41	304,674.18
<b>1333.00 · Services</b>							30,067.16
Total 1333.00 · Services							30,067.16
<b>1334.00 · Meters &amp; Meter Installation</b>							77,686.90
General Journal	01/01/2010	ml		Reclassify me...	1120.00 · Inven...	7,170.22	84,857.12
Check	03/24/2010	2850	Ferguson Waterworks	Inv 0137241 (...	1131.02 · Chec...	3,780.00	88,637.12
Check	03/29/2013	5847	Dana Kepner Compa...	(20) 5/8"x3/4" ...	1131.04 · Natio...	1,140.00	89,777.12
Total 1334.00 · Meters & Meter Installation						12,090.22	89,777.12
<b>1335.00 · Hydrants</b>							12,041.55
Total 1335.00 · Hydrants							12,041.55
<b>1339.00 · Other Plant &amp; Misc Equipment</b>							16,727.91
Total 1339.00 · Other Plant & Misc Equipment							16,727.91
<b>1340.00 · Office Furniture &amp; Equipment</b>							9,346.02
General Journal	01/10/2012	ml		Purchase of C...	2234.01 · Paya...	3,853.83	13,199.85
General Journal	02/04/2012	ml		Purchase of C...	2234.01 · Paya...	2,276.65	15,476.50
General Journal	12/31/2012	ml		Insurance pro...	4421.03 · Insur...	-6,130.48	9,346.02
Total 1340.00 · Office Furniture & Equipment						0.00	9,346.02
<b>1341.00 · Transportation Equipment</b>							88,632.94
<b>1341.01 · Service Truck-98 Ford Ranger</b>							11,286.96
Total 1341.01 · Service Truck-98 Ford Ranger							11,286.96

5:24 AM

08/25/14

Accrual Basis

**Chino Meadows II Water Co., Inc.**  
**Account QuickReport**  
 As of December 31, 2013

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>1341.02 · Bobcat 753</b>							
General Journal	12/31/2010	jlf1210...		Reclassify to ...	1345.04 · Bobcat	-2,813.36	2,813.36
Total 1341.02 · Bobcat 753						-2,813.36	0.00
<b>1341.03 · 2003 Dodge Ram agi</b>							
Check	08/26/2011	3694	Bob's Complete Auto...	03 Dodge Jas...	1131.04 · Natio...	4,503.34	23,060.57
Total 1341.03 · 2003 Dodge Ram agi						4,503.34	27,563.91
<b>1341.04 · 2000 Ford Ranger</b>							
Total 1341.04 · 2000 Ford Ranger							5,350.00
<b>1341.05 · 2005 Mercury</b>							
Total 1341.05 · 2005 Mercury							19,010.10
<b>1341.08 · 2005 Chevy 2500HD Service Truck</b>							
General Journal	12/12/2011	ml		2005 Chevy 2...	2234.06 · Paya...	9,245.75	0.00
Total 1341.08 · 2005 Chevy 2500HD Service Truck						9,245.75	9,245.75
<b>1341.00 · Transportation Equipment - Other</b>							
General Journal	10/11/2010			Remove Rem...	4421.02 · Disp...	-3,000.00	27,111.95
General Journal	12/13/2010	ml		Reclassify fro...	1350.00 · Offic...	0.00	24,111.95
General Journal	12/31/2010	jlf1210...		Adjust for prio...	1350.00 · Offic...	-599.07	23,512.88
General Journal	12/31/2011	jlf1211...		Adjust balanc...	1141.03 · Loan...	599.07	24,111.95
Total 1341.00 · Transportation Equipment - Other						-3,000.00	24,111.95
Total 1341.00 · Transportation Equipment						7,935.73	96,568.67
<b>1343.00 · Tools, Shop &amp; Garage Equipment</b>							
Check	09/23/2010	3177	American Express	(5) Viper Valv...	1131.02 · Chec...	324.36	949.18
Check	02/08/2013	5754	John Deere Financial	Work Gloves, ...	1131.04 · Natio...	76.92	1,273.54
Check	02/08/2013	5754	John Deere Financial	16" Boot St S...	1131.04 · Natio...	41.04	1,350.46
Check	02/08/2013	5754	John Deere Financial	Broom	1131.04 · Natio...	17.44	1,391.50
General Journal	12/31/2013	JFL		Expense Mino...	6620.20- Shop ...	-135.40	1,408.94
Total 1343.00 · Tools, Shop & Garage Equipment						324.36	1,273.54
<b>1345.00 · Power Operated Equipment</b>							
<b>1345.03 · Cent 2" Pump</b>							
Total 1345.03 · Cent 2" Pump							700.12
<b>1345.04 · Bobcat</b>							
General Journal	12/31/2010	jlf1210...		Reclassify to ...	1341.02 · Bobc...	2,813.36	0.00
Total 1345.04 · Bobcat						2,813.36	2,813.36
<b>1345.05 · Husqvarna Riding Mower</b>							
Check	10/10/2012	5519	Lowes Business Acc...	Husqvarna Ri...	1131.04 · Natio...	2,242.70	0.00
Total 1345.05 · Husqvarna Riding Mower						2,242.70	2,242.70
<b>1345.06 · John Deere Riding lawn mower</b>							
Check	05/28/2013	5954	James Cruickshanks	John Deere ri...	1131.04 · Natio...	1,000.00	0.00
Total 1345.06 · John Deere Riding lawn mower						1,000.00	1,000.00
<b>1345.00 · Power Operated Equipment - Other</b>							
Total 1345.00 · Power Operated Equipment - Other							24,704.47
Total 1345.00 · Power Operated Equipment						6,056.06	24,704.47
<b>1346.10 · Office Equipment &amp; Software</b>							
Check	03/24/2010	2853	American Express	Carbonite-Net...	1131.02 · Chec...	129.95	22,083.50
Check	03/24/2010	2853	American Express	Intuit-Quickbo...	1131.02 · Chec...	292.16	22,213.45
Check	03/24/2010	2853	American Express	Intuit-Quickbo...	1131.02 · Chec...	489.80	22,505.61
Check	04/05/2010	2858	Caselle, Inc	Inv 34260 - 1/...	1131.02 · Chec...	687.50	22,995.41
Check	06/23/2010	3011	American Express	(10) 1 GB Ra...	1131.02 · Chec...	280.83	23,682.91
Check	06/23/2010	3011	American Express	(2) 4 GB Ram ...	1131.02 · Chec...	443.51	23,963.74
Check	08/17/2010	3111	Caselle, Inc	2nd & final pa...	1131.02 · Chec...	687.50	24,407.25
Check	08/17/2010	3111	Caselle, Inc	Full payment ...	1131.02 · Chec...	2,125.00	25,094.75
Check	04/02/2012	5163	Advanced Lock and ...	1/2 Down Vide...	1131.04 · Natio...	1,987.50	27,219.75
Check	06/05/2012	5293	Advanced Lock and ...	1/2 Final Vide...	1131.04 · Natio...	1,987.50	29,207.25
Check	09/13/2012	5467	Sharp Business Syst...	Office Printer ...	1131.04 · Natio...	4,781.87	31,194.75
General Journal	01/01/2013	ml		Adj asset to e...	-SPLIT-	-129.95	35,976.62
Check	02/20/2013	5774	American Express	Monitor for Fr...	1131.04 · Natio...	188.98	35,846.67
Total 1346.10 · Office Equipment & Software						13,952.15	36,035.65
Total 1101.00 · Utility Plant in Service						89,396.56	843,924.01
<b>TOTAL</b>						<b>89,396.56</b>	<b>843,924.01</b>

**Chino Meadows II Water Company**

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiiwc.com

National Bank of Arizona  
1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5520

10/10/2012

PAY TO THE  
ORDER OF

Prescott Pump Service, Inc

\$ \*\*6,167.36

Six Thousand One Hundred Sixty-Seven and 36/100\*\*\*\*\*

DOLLARS

Prescott Pump Service, Inc  
474 Hidden Valley Road  
Prescott, AZ 86303

MEMO

Inv 6515 Install Transfer Switchs & Recps for Back

  
AUTHORIZED SIGNATURE

**Chino Meadows II Water Company**

5520

Prescott Pump Service, Inc

10/10/2012

1101.00 · Utility Plant in Service:1310.00	Donna Well-Inv 6515 Install Transfer Switchs & Recp	3,083.68
1101.00 · Utility Plant in Service:1310.00	Cactus Wren Pumps-Inv 6515 Install Transfer Switch	3,083.68

National Bank

Inv 6515 Install Transfer Switchs & Recps for Ba

6,167.36

**Chino Meadows II Water Company**

5520

Prescott Pump Service, Inc

10/10/2012

1101.00 · Utility Plant in Service:1310.00	Donna Well-Inv 6515 Install Transfer Switchs & Recp	3,083.68
1101.00 · Utility Plant in Service:1310.00	Cactus Wren Pumps-Inv 6515 Install Transfer Switch	3,083.68

National Bank

Inv 6515 Install Transfer Switchs & Recps for Ba

6,167.36

### PRESCOTT PUMP SERVICE, INC.

Serving Yavapai County Since 1946  
 474 Hidden Valley Road  
 PRESCOTT, ARIZONA 86303  
 (928) 445-3910  
 ROC Lic. #057998

QTY.	MATERIAL	PRICE	AMOUNT
2	100 AMP 3 <sup>Ø</sup> 230 Volt TRANSFER SWITCH		3228 00
2	4W 3 <sup>Ø</sup> 100AMP RECEPTACLE		400 00
2	1 1/2" CAST HUB		370 00
	MISC. ELECTRICAL		500 00

DATE 10/4/12

NAME CHINO MEADOWS WATER Co.

6515

ADDRESS

CITY

PHONE F 620-0684

JOB LOCATION DONNA + CACTUS WREN

JOB PHONE

ORDER TAKEN BY

STARTING DATE

DESCRIPTION OF WORK

WIRE IN TRANSFER SWITCH AND RECEPTACLE FOR GENERATOR.

TOTAL MATERIAL	5018 00
TOTAL LABOR	630 00

A \$30.00 charge on returned checks. A service charge of 2 1/2% on accounts over 30 days.

10.35% TAX 519 36

SIGNATURE

DATE COMPLETED

Thank You

PAY THIS AMOUNT

6167.36

**Chino Meadows II Water Company**

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiiwc.com

National Bank of Arizona  
1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5163

4/2/2012

PAY TO THE ORDER OF Advanced Lock and Safe

\$ \*\*1,987.50

One Thousand Nine Hundred Eighty-Seven and 50/100\*\*\*\*\*

DOLLARS

Advanced Lock and Safe  
PO Box 3341  
Chino Valley, AZ 86323-3341

MEMO

1/2 Down Video Surveillance System for Office Bldg

||

  
AUTHORIZED SIGNATURE

MP

Security Features: Included

Details on Back

**Chino Meadows II Water Company**

5163

Advanced Lock and Safe  
1101.00 · Utility Plant in Service:1340.10 1/2 Down Video Surveillance System for Office Bldg

4/2/2012

1,987.50

*No invoice attached*

National Bank 1/2 Down Video Surveillance System for Office B

1,987.50

**Chino Meadows II Water Company**

5163

Advanced Lock and Safe  
1101.00 · Utility Plant in Service:1340.10 1/2 Down Video Surveillance System for Office Bldg

4/2/2012

1,987.50

National Bank 1/2 Down Video Surveillance System for Office B

1,987.50

**Chino Meadows II Water Company**

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiilwc.com

**National Bank of Arizona**

1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5293

6/5/2012

PAY TO THE ORDER OF Advanced Lock and Safe

\$ \*\*1,987.50

One Thousand Nine Hundred Eighty-Seven and 50/100\*\*\*\*\*

DOLLARS

Advanced Lock and Safe  
PO Box 3341  
Chino Valley, AZ 86323-3341

MEMO

1/2 Final Video Surveillance System for Office Bldg

11

*Paul Bauer*  
AUTHORIZED SIGNATURE

MP

Details on Back. Security Features Included

**Chino Meadows II Water Company**

5293

Advanced Lock and Safe 6/5/2012  
1101.00 · Utility Plant in Service:1340.10 1/2 Final Video Surveillance System for Office Bldg

1,987.50

*No invoice attached*

National Bank 1/2 Final Video Surveillance System for Office Bl

1,987.50

**Chino Meadows II Water Company**

5293

Advanced Lock and Safe 6/5/2012  
1101.00 · Utility Plant in Service:1340.10 1/2 Final Video Surveillance System for Office Bldg

1,987.50

National Bank 1/2 Final Video Surveillance System for Office Bl

1,987.50

**Chino Meadows II Water Company**

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiiwc.com

National Bank of Arizona  
1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5467

9/13/2012

PAY TO THE ORDER OF Sharp Business Systems

\$ \*\*4,781.87

Four Thousand Seven Hundred Eighty-One and 87/100\*\*\*\*\*

DOLLARS :

Sharp Business Systems  
Dept 1205  
PO Box 121205  
Dallas, TX 75312-1205

MEMO

Office Printer MX-3100N MFP S/N 95031703 31PPM

  
AUTHORIZED SIGNATURE

**Chino Meadows II Water Company**

5467

Sharp Business Systems 9/13/2012  
1101.00 · Utility Plant in Service:1340.10 Office Printer MX-3100N MFP S/N 95031703 31PPM

4,781.87

*NO invoice attached?*

National Bank Office Printer MX-3100N MFP S/N 95031703 31

4,781.87

**Chino Meadows II Water Company**

5467

Sharp Business Systems 9/13/2012  
1101.00 · Utility Plant in Service:1340.10 Office Printer MX-3100N MFP S/N 95031703 31PPM

4,781.87

National Bank Office Printer MX-3100N MFP S/N 95031703 31

4,781.87

**Chino Meadows II Water Company**

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiiwc.com

National Bank of Arizona  
1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5847

3/29/2013

PAY TO THE ORDER OF Dana Kepner Company

\$ \*\*1,140.00

One Thousand One Hundred Forty and 00/100\*\*\*\*\*

DOLLARS

Dana Kepner Company  
Dept 281  
Denver CO 80271-0281

  
AUTHORIZED SIGNATURE

MEMO

Cust 26840000 (20) 5/8"x3/4" accuStream Meters

||

!:

Chino Meadows II Water Company

5847

Dana Kepner Company  
1101.00 · Utility Plant in Service:1334.00 (20) 5/8"x3/4" accuStream Meters

3/29/2013

1,140.00

National Bank Cust 26840000 (20) 5/8"x3/4" accuStream Meter

1,140.00

Chino Meadows II Water Company

5847

Dana Kepner Company  
1101.00 · Utility Plant in Service:1334.00 (20) 5/8"x3/4" accuStream Meters

3/29/2013

1,140.00

National Bank Cust 26840000 (20) 5/8"x3/4" accuStream Meter

1,140.00



Dana Kepner Company, Inc.  
Western Industrial Supply, LLC

INVOICE

UPC VENDOR	INVOICE DATE	ORDER NO.
000000	03/25/13	4326793-00
P.O. NO.		PAGE #
email Matt		1

CUST.#: 26840000

SHIP TO: GRANITE MOUNTAIN WATER COMPANY  
P.O. BOX 350  
CHINO VALLEY, AZ 86323

REMIT TO: Dana Kepner Company, Inc.  
PO Box 710281  
Denver, CO 80271-0281

BILL TO: GRANITE MOUNTAIN WATER COMPANY  
P.O. BOX 350  
CHINO VALLEY, AZ 86323

INSTRUCTIONS			
Tah			
SHIP POINT	SHIP VIA	SHIPPED	TERMS
	DELIVERY	03/25/13	Net 30 Days

LINE NO.	PRODUCT AND DESCRIPTION	QUANTITY ORDERED	QUANTITY B.O.	QTY. SHIPPED	QTY. U/M	UNIT PRICE	AMOUNT (NET)
***** Deliver when order is complete *****							
1	70MA02DG 5/8X3/4" accuSTREAM, DR GALLONS	20	0	20	PCS	57.00 PCS	1140.00
1	Lines Total	Qty Shipped Total		20		Total Invoice Total	1140.00 1140.00



**Dana Kepner Company, Inc.**  
 6723 Corsair Ave  
 928-445-1433 FX 928-445-9244  
 Prescott, AZ 86301

**STATEMENT**

CUSTOMER NO.
26840000
STATEMENT
03/31/13
TOTAL DUE
1140.00

GRANITE MOUNTAIN WATER COMPANY  
 P.O. BOX 350  
 CHINO VALLEY, AZ 86323

REMIT TO: Dana Kepner Company, Inc.  
 PO Box 710281  
 Denver, CO 80271-0281  
 (303) 623-6161

STATEMENT DATE	CUSTOMER NO.
03/31/13	26840000

INVOICE DATE	DUE DATE	TYPE	STATUS	INVOICE NO	CHARGE	CREDIT
03/25/13	04/24/13	IN	DUE	4326793-00	1140.00	
					Balance Due:	1140.00

PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5
1140.00	0.00	0.00	0.00	0.00
SERVICE CHARGE	MISCELLANEOUS CREDITS		ON ORDER	
0.00	0.00		0.00	

**Chino Meadows II Water Company**

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiwcc.com

National Bank of Arizona  
1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5754

2/8/2013

PAY TO THE ORDER OF John Deere Financial \$ \*\*214.83

Two Hundred Fourteen and 83/100\*\*\*\*\* DOLLARS  $\frac{83}{100}$

John Deere Financial  
PO Box 4450  
Carol Stream IL 60197-4450

MEMO

Acct 28111-29301 Feb 2013

*Rae Levi*  
\_\_\_\_\_  
AUTHORIZED SIGNATURE

**Chino Meadows II Water Company** 5754

John Deere Financial 2/8/2013

6620.00 · Materials & Supplies	Blades	4.40
6620.00 · Materials & Supplies	Sch40 3/4" Ball Valve	6.50
1101.00 · Utility Plant in Service:1343.00	Work Gloves, Sawzall Blades	76.92
1101.00 · Utility Plant in Service:1343.00	16" Boot St Shank	41.04
6620.00 · Materials & Supplies	6x4 PVC	12.80
6620.00 · Materials & Supplies:6620.21 ·	60lb Post Mix	7.05
6620.00 · Materials & Supplies:6620.21 ·	PVC Cement, 90deg Elbow Sch40 4"	24.94
1101.00 · Utility Plant in Service:1343.00	Broom	17.44
6620.00 · Materials & Supplies	Ext Cord, Galv Elbow 2" 90deg	23.74

National Bank Acct 28111-29301 Feb 2013 214.83

**Chino Meadows II Water Company** 5754

John Deere Financial 2/8/2013

6620.00 · Materials & Supplies	Blades	4.40
6620.00 · Materials & Supplies	Sch40 3/4" Ball Valve	6.50
1101.00 · Utility Plant in Service:1343.00	Work Gloves, Sawzall Blades	76.92
1101.00 · Utility Plant in Service:1343.00	16" Boot St Shank	41.04
6620.00 · Materials & Supplies	6x4 PVC	12.80
6620.00 · Materials & Supplies:6620.21 ·	60lb Post Mix	7.05
6620.00 · Materials & Supplies:6620.21 ·	PVC Cement, 90deg Elbow Sch40 4"	24.94
1101.00 · Utility Plant in Service:1343.00	Broom	17.44
6620.00 · Materials & Supplies	Ext Cord, Galv Elbow 2" 90deg	23.74

National Bank Acct 28111-29301 Feb 2013 214.83



Arizona General / Ace Hardware, Inc.  
 P.O. Box 1170  
 Chino Valley, AZ 86323  
 Phone: 928-636-4401

Customer No 261600	Job No SHOP	Purchase Order No SHOP	Reference	Terms FARM DIAN CUSTOMER	Clerk GENE	Date 1/17/13	Time 8:44
Sold To CHINO MEADOWS #2 WATER COMPANY P.O. BOX 350 501 N HWY 89 CHINO VALLEY AZ 86323		Ship To [Redacted]		RESALE# : 13-016257 F TERM#561		DOC# A16401 ***** * INVOICE * *****	

TAX : 002 RESALE

SHIPPED	ORDERED	UM	SKU	DESCRIPTION	SUGG	UNITS	PRICE/EA	EXTENSION
1		EA	7173321	WORK CREW GLOVE LARGE		1	17.99 /EA	17.99
1		EA	7173362	WORK CREW GLOVE X-LARGE		1	17.99 /EA	17.99
1		EA	2099505	BLADE RECIP 12"/6T 5PK		1	20.99 /EA	20.99
1		EA	2099521	BLADE RECIP 9"/10-14T5PK		1	17.99 /EA	17.99

MID: 113989477  
 APP: 693743  
 XR:  
 \*\* PAYMENT RECEIVED \*\*  
 \*\* PAID IN FULL \*\*  
 (DENNY LOPEZ )  
 BANKCARD PAYMENT  
 BKCRD#XXXXXXXX9301

TAXABLE 74.92  
 NON-TAXABLE 0.00  
 SUBTOTAL 74.96  
 TD DISCOUNT -5.25  
 TAX AMOUNT 7.21  
 TOTAL AMOUNT 76.92



Arizona General / Ace Hardware, Inc.  
 P.O. Box 1170  
 Chino Valley, AZ 86323  
 Phone: 928-636-4401

Customer No:	261600	Job No:	SHOP	Purchase Order No:		Reference:		Terms:		Clerk:		Date:	1/18/13	Time:	9:47
Sold to:	CHENO MEADOWS #2 WATER COMPANY P.O. BOX 350 501 N HWY 89 CHINO VALLEY AZ 86323			PO #:	SHOP	Ship To:		FARM PLAN CUSTOMER		RG:		DOC#	A16734	***** * INVOICE * *****	

RESALE#: 13-016257 F TERM#561  
 TAX : 002 RESALE

SHIPPED	ORDERED	QTY	SKU	DESCRIPTION	SUGG	UNITS	PRICE/PER	EXTENSION
	1	EA	86611	BOOT 16" STL SHANK S212		1	39.99 / EA	39.99

MTD: 114050006  
 APP: 723544  
 XR:  
 \*\* PAYMENT RECEIVED \*\*  
 \*\* PAID IN FULL \*\*  
 (DENNY LOPEZ )  
 BANKCARD PAYMENT  
 BKCRD#XXXXXXXX9301

41.04 TAXABLE  
 0.00 NON-TAXABLE  
 39.99 SUBTOTAL  
 -2.80 TD DISCOUNT  
 41.04 TAX AMOUNT  
 3.85  
 41.04 TOTAL AMOUNT



Arizona General / Ace Hardware, Inc.  
 P.O. Box 1170  
 Chino Valley, AZ 86323  
 Phone: 928-636-4401

Customer No:	261600	Job No:		Purchase Order No:		Reference:		Terms:		Clerk:		Date:	1/29/13	Time:	7:57
--------------	--------	---------	--	--------------------	--	------------	--	--------	--	--------	--	-------	---------	-------	------

Ship to:  
 CHINO MEADOWS #2 WATER COMPANY  
 P.O. BOX 350  
 501 N HWY 89  
 CHINO VALLEY AZ 86323

PO: SHOP  
 FARM PLAN CUSTOMER

RESALE#: 13-016257 F  
 TAX : 002 RESALE  
 TERM#561

DOC# A19677  
 \*\*\*\*\*  
 \* INVOICE \*  
 \*\*\*\*\*

SHIPPED	ORDERED	UM	SKU	DESCRIPTION	SUGG	UNITS	PRICE/PR	EXTENSION
	1	EA	10524	BROOM CORN WAREHOUSE ACE		1	16.99 /EA	16.99

MID: 114485461  
 APP: 938548  
 XR:  
 \*\* PAYMENT RECEIVED \*\*  
 \*\* PAID IN FULL \*\*  
 (DENNY LOPEZ )

17.44 TAXABLE  
 0.00 NON-TAXABLE  
 16.99 SUBTOTAL  
 -1.19 TD DISCOUNT  
 17.44 TAX AMOUNT  
 1.64 TAX AMOUNT  
 17.44 TOTAL AMOUNT

BANKCARD PAYMENT  
 BKCRD#XXXXXXXX9301

Chino Meadows II Water Company

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiiwc.com

National Bank of Arizona  
1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5954

5-24-13

PAY TO THE  
ORDER OF

JAMES CRUICKSHANKS

\$ 1000.00

One Thousand and ~~no~~ <sup>no</sup> ~~00~~

DOLLARS

MEMO

FOR JOHN DEERE  
RIDING LAWN MOWER

*Robert W. Young*  
AUTHORIZED SIGNATURE

Chino Meadows II Water Company

PER PAUL

5954

Chino Meadows II Water Company

5954

**Chino Meadows II Water Company**

501 North Highway 89  
P.O. Box 350  
Chino Valley, AZ 86323  
www.cmiiwc.com

National Bank of Arizona  
1299 North Highway 89  
Chino Valley, AZ 86323  
91-532/1221  
91-532/1221

5774

2/20/2013

PAY TO THE ORDER OF American Express

\$ \*\*1,085.05

One Thousand Eighty-Five and 05/100\*\*\*\*\*

DOLLARS

American Express  
Box 0001  
Los Angeles, CA 90096-8000

MEMO

Acct 7-42005 Feb 2013

  
AUTHORIZED SIGNATURE

**Chino Meadows II Water Company**

5774

American Express	2/20/2013	
6621.00 · Office Supplies & Expense:662	Postage	24.99
6621.00 · Office Supplies & Expense:662	Postage	100.00
6675.00 · Miscellaneous Expense:6675.1	Meal 1835 Grasshopper Break	13.60
6650.00 · Transportation:6650.01 · Gas:6	Safeway Fuel	30.01
6621.00 · Office Supplies & Expense	Batteries Pam Computer	8.04
6621.00 · Office Supplies & Expense:662	Postage Photos of Fire Loss to Attroney	3.31
6665.00 · Regulatory Commission Expen	Response to AZCC Staff Report 40-252	7.45
1101.00 · Utility Plant in Service:1340.10	Monitor for Front Desk	188.98
6675.00 · Miscellaneous Expense:6675.0	PDL	27.92
6621.00 · Office Supplies & Expense:662	Carbonite Renewal 3yrs Backup Server	141.55
6610.00 · Purchased Water	Bottled Water 1800 Donna Break	39.76
6675.00 · Miscellaneous Expense:6675.0	PDL	30.68
6621.00 · Office Supplies & Expense:662	Nuianse Dragon Dictation Software for PDL	94.94
6650.00 · Transportation:6650.18 · Cat 4	Switch for Cat Backhoe	318.39
6621.00 · Office Supplies & Expense:662	Postage	3.56
4427.00 · Interest Expense	Interest	51.87
National Bank	Acct 7-42005 Feb 2013	1,085.05

**Chino Meadows II Water Company**

5774

American Express	2/20/2013	
6621.00 · Office Supplies & Expense:662	Postage	24.99
6621.00 · Office Supplies & Expense:662	Postage	100.00
6675.00 · Miscellaneous Expense:6675.1	Meal 1835 Grasshopper Break	13.60
6650.00 · Transportation:6650.01 · Gas:6	Safeway Fuel	30.01
6621.00 · Office Supplies & Expense	Batteries Pam Computer	8.04
6621.00 · Office Supplies & Expense:662	Postage Photos of Fire Loss to Attroney	3.31
6665.00 · Regulatory Commission Expen	Response to AZCC Staff Report 40-252	7.45
1101.00 · Utility Plant in Service:1340.10	Monitor for Front Desk	188.98
6675.00 · Miscellaneous Expense:6675.0	PDL	27.92
6621.00 · Office Supplies & Expense:662	Carbonite Renewal 3yrs Backup Server	141.55
6610.00 · Purchased Water	Bottled Water 1800 Donna Break	39.76
6675.00 · Miscellaneous Expense:6675.0	PDL	30.68
6621.00 · Office Supplies & Expense:662	Nuianse Dragon Dictation Software for PDL	94.94
6650.00 · Transportation:6650.18 · Cat 4	Switch for Cat Backhoe	318.39
6621.00 · Office Supplies & Expense:662	Postage	3.56
4427.00 · Interest Expense	Interest	51.87
National Bank	Acct 7-42005 Feb 2013	1,085.05

# ORDER CONFIRMATION

[Print Page](#)

Thank you for ordering from Newegg.com. Please print this page for your records.

A confirmation e-mail will be sent to [mattlauterbach@leviigroup.com](mailto:mattlauterbach@leviigroup.com) once your order has processed. You will receive another e-mail with tracking information once your order has shipped. Orders are usually processed within 1-2 business days. In the unlikely event that we anticipate a delay in your order, you will be notified via e-mail.

2/1/2013 1:53:55 PM

## Shipping Info

Matt Lauterbach  
Chino Meadows II Water Company  
501 N Highway 89 Ste B Read  
Building  
Chino Valley, AZ 86323-6372  
  
928-717-2616

## Billing Info

Matthew Lauterbach  
PO Box 350  
Chino Valley, AZ 86323  
  
American  
Express:\*\*\*\*\*2039

## Order Summary

Qty	Product Description	Price
<b>Order #: 151762477</b> (shipped via Newegg 3 Business Days)		
1	ASUS VS Series VS247H-P Black 23.6" 2ms LED Backlight Widescreen LCD Monitor Item #: N82E16824236174	<del>\$209.99</del> \$179.99
<a href="#">Monitor Standard Return Policy</a>		
		Subtotal \$179.99
		Tax \$0.00
		Newegg 3 Business Days \$8.99
		<b>Order Total \$188.98</b>

# Thanks!

Please enjoy this complimentary offer.

**250 FREE Business Cards**

[Order](#)

[Vis](#)

[Continue Shopping](#)

[Logout](#)

## Return Policies

[Policy & Agreement](#) | [Privacy Policy](#) © 2000-2013 Newegg Inc. All rights reserved.

AFFIDAVIT

State of Arizona )  
 ) ss  
County of Yavapai )

Paul Levie having been duly sworn deposes and says:

1. Chino Meadows II Water Co. and Granite Mountain Water Company Inc., had a fire in our office located at 2465 W. Shane Drive on December 14, 2011 and our A/P files for the years you are requesting invoices (2008, 2009, 2010 and 2011) were destroyed.
2. The building at the time contained some metal filing cabinets and some cardboard files. Those boxes contained several years of accumulated records until the boxes were filled and then would be taken to offsite storage.
3. At the time of the fire the records were stored in Pam Harbeson's office in the cardboard boxes in the back of the building hit hardest by the fire and then were damaged by water from the fire department. None of those records were able to be salvaged.
4. We do have our Quickbooks as back up of those records giving correct entries of the costs
5. Affiant affirms that the computer records correctly reflect the correct amounts of the requested invoices and that the records were made in the regular course of business.

Date this 21<sup>ST</sup> day of August 2014

*Paul D. Levie*  
Paul D. Levie

State of Arizona  
County of Yavapai

Sworn to (or affirmed) and subscribed before me this 21 day of August, 2014, by

*Paul D. Levie*

*Lisa R. Ogle*  
(Signature of Notary)

Lisa R Ogle (Seal)  
(Name of Notary Typed, Stamped, or Printed)  
Notary Public, State of Arizona

