

ANNUAL REPORT

Of

Company Name: Circle City Water Company, LLC
PO Box 82218

Mailing Address: Bakersfield CA
93380

Docket No.: W-03510A
For the Year Ended: 12/31/18

RECEIVED
APR 15 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: Original Filing
Application Date: 4/9/2019

4-17-19

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Circle City Water Company, LLC
A Class Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

6. On-Site Manager:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

7. Ownership:

8. Counties Served:

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	7,928	0	0	7,928	0	7,928
304	Structures and Improvements	283,649	0	0	283,649	125,237	158,412
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	0	0	0	0	0	0
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	54,844	0	0	54,844	31,205	23,639
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	33,133	0	0	33,133	32,279	854
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	226,867	0	0	226,867	169,175	57,692
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	6,359	0	0	6,359	6,359	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	569	0	0	569	343	226
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$613,349	\$0	\$0	\$613,349	\$364,599	\$248,751

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Circle City Water Company, LLC
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/18

Depreciation Expense for the Current Year (Water)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	7,928	0	0	7,928	0	0.00%	0
304	Structures and Improvements	283,649	0	0	283,649	0	4.22%	11,981
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	0	0	0	0	0	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0.00%	0
311	Pumping Equipment	54,844	0	0	54,844	0	4.32%	2,370
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	33,133	0	0	33,133	0	0.24%	79
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	226,867	0	0	226,867	0	4.40%	9,993
335	Hydrants	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	6,359	0	0	6,359	6,359	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	569	0	0	569	0	4.00%	23
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$613,349	\$0	\$0	\$613,349	\$6,359		\$24,446

Contribution(s) in Aid of Construction (Gross)	\$286,611
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	6,004
Amortizable Contribution(s)	<u>\$280,607</u>
Times: Proposed Amortization Rate	5.00%
Amortization of CIAC	\$14,030
Less: Amortization of CIAC	\$14,030
DEPRECIATION EXPENSE	\$10,415

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Circle City Water Company, LLC
 Annual Report
 Balance Sheet Assets
 12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash		\$10,341	\$88,276
134	Working Funds		\$0	\$0
135	Temporary Cash Investments		\$0	\$0
141	Customer Accounts Receivable		\$905	\$1,867
146	Notes Receivable from Associated Companies		(\$114,144)	\$0
151	Plant Material and Supplies		\$0	\$0
162	Prepayments		\$88,614	\$85,517
174	Miscellaneous Current and Accrued Assets		\$0	\$0
	Total Current and Accrued Assets		(\$14,284)	\$175,660
Account No.	Deferred Debits			
183	Preliminary Survey and Investigation Charges		\$0	\$0
186	Deferred Rate Case Expense		\$0	\$0
190	Accumulated Deferred Income Taxes		\$0	\$0
	Total Deferred Debits		\$0	\$0
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$613,350	\$613,350
103	Property Held for Future Use		\$0	\$0
105	Construction Work in Progress		\$0	\$0
108	Accumulated Depreciation (enter as negative)*		(\$340,153)	(\$364,599)
121	Non-Utility Property		\$0	\$0
122	Accumulated Depreciation - Non Utility		\$0	\$0
	Total Fixed Assets		\$273,197	\$248,751
	Total Assets		\$258,913	\$424,411

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

*Note these items feed automatically from AR3 UPIS Page 3

Circle City Water Company, LLC
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$0	\$81,156
232	Notes Payable (Current Portion)		\$0	\$0
234	Notes Payable to Associated Companies		\$0	\$50,000
235	Customer Deposits		\$4,599	\$4,795
236	Accrued Taxes		\$0	\$232
237	Accrued Interest		\$0	\$0
242	Miscellaneous Current and Accrued Liabilities		\$3,583	\$3,131
	Total Current Liabilities		\$8,182	\$139,314
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		\$6,695	\$8,195
255	Accumulated Deferred Investment Tax Credits		\$0	\$0
271	Contributions in Aid of Construction		\$286,611	\$286,611
272	Less: Amortization of Contributions		(\$89,874)	(\$103,905)
281	Accumulated Deferred Income Tax		\$0	\$0
	Total Deferred Credits		\$203,432	\$190,901
	Total Liabilities		\$211,614	\$330,215
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		\$0	\$0
215	Retained Earnings		(\$1,476,037)	(\$2,134,142)
218	Proprietary Capital (Sole Props and Partnerships)		\$1,523,338	\$2,228,338
	Total Capital		\$47,301	\$94,196
	Total Liabilities and Capital		\$258,915	\$424,411

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Circle City Water Company, LLC
Annual Report
Water Comparative Income Statement
12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$43,342	\$44,727
460	Unmetered Water Revenue	\$0	\$0
462	Fire Protection Revenue	\$0	\$0
469	Guaranteed Revenues (Surcharges)	\$0	\$0
471	Miscellaneous Service Revenues	\$966	\$722
474	Other Water Revenue	(\$136)	(\$106)
	Total Revenues	\$44,172	\$45,343
	Operating Expenses		
601	Salaries and Wages	\$7,986	\$9,679
604	Employee Pensions and Benefits	\$0	\$0
610	Purchased Water	\$176,940	\$121,892
615	Purchased Power	\$8,707	\$9,771
618	Chemicals	\$2,255	\$631
620	Materials and Supplies	\$555	\$607
620.1	Repairs and Maintenance	\$1,888	\$3,513
620.2	Office Supplies and Expense	\$1,964	\$2,057
630	Contractual Services	\$90,287	\$9,086
631	Contractual Services -Engineering	\$0	\$0
632	Contractual Services - Accounting	\$73	\$0
633	Contractual Services - Legal	\$216,310	\$12,625
634	Contractual Services - Management Fees	\$2,000	\$4,758
635	Contractual Services - Water Testing	\$1,541	\$2,167
636	Contractual Services - Other	\$1,050	\$1,150
640	Rents	\$0	\$0
641	Rental of Building/Real Property	\$0	\$0
642	Rental of Equipment	\$0	\$0
650	Transportation Expenses	\$0	\$0
657	Insurance - General Liability	\$896	\$776
657.1	Insurance - Health and Life	\$1,865	\$1,744
665	Regulatory Commission Expense - Rate	\$0	\$0
670	Bad Debt Expense	\$349	\$731
675	Miscellaneous Expense	\$2,172	\$4,097
403	Depreciation Expense (From Schedule AR4)	10,415	\$11,970
408	Taxes Other Than Income	\$1,095	\$818
408.11	Property Taxes	\$2,760	\$2,771
409	Income Taxes	\$0	\$0
427.1	Customer Security Deposit Interest	\$0	\$5
	Total Operating Expenses	\$531,108	\$200,848
	Operating Income / (Loss)	(\$486,936)	(\$155,505)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$239	\$413
426	Miscellaneous Non-Utility (Expense)	(\$67,593)	\$0
427	Interest (Expense)	\$0	\$0
434	Extraordinary Deductions	(\$103,816)	\$0
	Total Other Income / (Expense)	(\$171,170)	\$413
	Net Income / (Loss)	(\$658,106)	(\$155,092)

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Circle City Water Company, LLC
 Annual Report
 Full time equivalent employees
 12/31/18

Full time equivalent employees

	Direct Company	Outside service	Total
President	0.0		0.0
Vice-president	0.0		0.0
Manager	0.0		0.0
Engineering Staff	0.0		0.0
System Operator(s)	0.0		0.0
Meter reader	0.0		0.0
Customer Service	0.0		0.0
Accounting	0.0		0.0
Business Office	0.0		0.0
Rates Department	0.0		0.0
Administrative Staff	0.0		0.0
Other	0.0		0.0
Total	0.0	0.0	0.0

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Circle City Water Company, LLC
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/18

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	none	none	none	none
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amt. Issued	N/A	N/A	N/A	N/A
Amount Outstanding	N/A	N/A	N/A	N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	N/A	N/A	N/A	N/A
Current Year Principal	N/A	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$4,795
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Meter Deposits Refunded During the Test Year:	\$1,835
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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. Input 0 or none if there is nothing to report for that cell.

Water Utility Plant Description (Continued)

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	1 - Regal Model 13-208 chlronator
STRUCTURES:	1 - panel with tin roof, welded steel construction with 2 by 6" concrete legs 81X169X122X194 6ft. Chain Link security fence
OTHER:	1 - T100G Level Con remote tank monitoring device.

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	CIRCLE CITY WATER CO.
ADEQ Public Water System Number:	AZ0407112
ADWR PCC Number:	91-000232.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	180	0	4	0	0
February	185	0	4	0	0
March	186	0	4	0	0
April	186	0	4	0	0
May	184	0	4	0	0
June	185	0	4	0	0
July	187	0	4	0	0
August	182	0	4	0	0
September	184	0	4	0	0
October	186	0	4	0	0
November	185	0	4	0	0
December	184	0	4	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Circle City Water Company, LLC
Annual Report
Property Taxes
12/31/18

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2018 was	\$2,760
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If no property taxes paid, explain why.

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

RECEIVED
UTILITIES DIVISION
2019 APR 15 A 10:12
ARIZONA CORPORATION
COMMISSION

Verification and Sworn Statement (Taxes)

Verification: State of California I, the undersigned of the
(state name)

County of (county name): Kern
Name (owner or official) title: Thomas J. Jamieson
Company name: Circle City Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

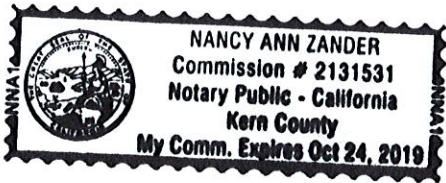
Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



signature of owner/official

661-393-7000
telephone no.



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

THIS 11th DAY OF April 2019
(month) and (year)

Kern
(county name)

MY COMMISSION EXPIRES 10-24-2019
(date)

Nancy Ann Zander
(signature of notary public)

Verification and Sworn Statement

Verification:

State of California I, the undersigned of the
(state name)
County of (county name): Kern
Name (owner or official) title: Thomas J. Jamieson
Company name: Circle City Water Company, LLC

RECEIVED
UTILITIES DIVISION
2019 APR 15 A 10:12
ARIZONA CORPORATION COMMISSION

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

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

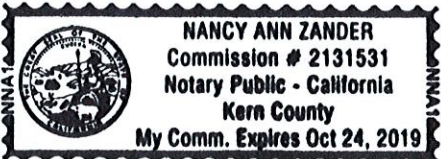
\$47,051

(The amount in the box above includes

\$2,879 in sales taxes
billed or collected)

Thomas J. Jamieson
signature of owner/official

661-393-7000
telephone no.



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

THIS 11th DAY OF April, 2019
(month) and (year)

MY COMMISSION EXPIRES 10-24-2019
(date)

Nancy Ann Zander
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of California I, the undersigned of the
(state name)

County of (county name): Kern
Name (owner or official) title: Thomas J. Jamieson
Company name: Circle City Water Company, LLC

RECEIVED
UTILITIES DIVISION
2019 APR 15 A 10:12
ARIZONA CORPORATION
COMMISSION

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

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$44,516

(The amount in the box above includes

\$2,447 in sales taxes
billed or collected)

Thomas J. Jamieson
signature of owner/official

661-393-7000

telephone no.

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

Kern
(county name)

THIS

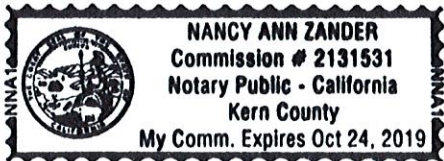
11th

DAY OF

April 2019
(month) and (year)

MY COMMISSION EXPIRES

10-24-2019
(date)



Nancy Ann Zander
(signature of notary public)