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UTILITIES DIVISION  
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**ANNUAL REPORT**

ARIZONA CORPORATION  
COMMISSION

Of

Company Name:

Granite Dells Water Company

Mailing Address:

3025 N. Highway 89  
Prescott, AZ 86301

Docket No.:

W-01670A

For the Year Ended:

12/31/18

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdefuente@azcc.gov](mailto:rdefuente@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:

1/22/2019

4-9-19

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT

0

A Class  Utility

1. For the Calendar Year Ended: 12/31/18

2. Address: 

3025 N. State Route 89		
City: Prescott	State: Arizona	Zip Code: 86301

3. Telephone Number: (928) 445-9018

4. Date of Original Organization of Utility: 03/01/1980

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

Name: Richard Horsley  
Telephone No.: (928) 445-9018  
Address: 3025 N. State Route 89  
City: Prescott State: Arizona Zip Code: 86301  
Email: rick.horsley@startmail.com

6. On-Site Manager:

Name: Jan Fillingim  
Telephone No.: (928) 830-7425  
Address: 2330A East Gate Road  
City: Prescott State: Arizona Zip Code: 86301  
Email:

7. Ownership: S Corporation

8. Counties Served: Yavapai

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	2,415			2,415 <del>0</del>	2,415	\$0
302	Franchises				0		0
303	Land and Land Rights				0		0
304	Structures and Improvements				0		0
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	12,288			12,288 <del>0</del>	12,288	0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	5,562			5,562 <del>0</del>	5,562	0
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices	707			707 <del>0</del>	707	0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks				0		0
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	20,081			20,081 <del>0</del>	17,645	2,436
333	Services				0		0
334	Meters and Meter Installations				0		0
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment				0		0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant	942			942 <del>0</del>	942	0
	Totals	41,995 <del>50</del>	\$0	\$0	41,995 <del>50</del>	39,559 <del>50</del>	2,436 <del>50</del>

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.

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	2,415 <del>80</del>	\$0	\$0	2,415 <del>80</del>	2,415		\$0
302	Franchises	0	0	0	0			0
303	Land and Land Rights	0	0	0	0			0
304	Structures and Improvements	0	0	0	0			0
305	Collecting & Improving Reservoirs	0	0	0	0			0
306	Lake, River, Canal Intakes	0	0	0	0			0
307	Wells and Springs	12,288 <del>0</del>	0	0	12,288 <del>0</del>	12,288		0
308	Infiltration Galleries	0	0	0	0			0
309	Supply Mains	0	0	0	0			0
310	Power Generation Equipment	0	0	0	0			0
311	Pumping Equipment	5,562 <del>0</del>	0	0	5,562 <del>0</del>	5,562		0
320	Water Treatment Equipment	0	0	0	0			0
320.1	Water Treatment Plants	0	0	0	0			0
320.2	Solution Chemical Feeders	0	0	0	0			0
320.3	Point-of-Use Treatment Devices	707 <del>0</del>	0	0	707 <del>0</del>	707		0
330	Distribution Reservoirs and Standpipes	0	0	0	0			0
330.1	Storage Tanks	0	0	0	0			0
330.2	Pressure Tanks	0	0	0	0			0
331	Transmission and Distribution Mains	20,081 <del>0</del>	0	0	20,081 <del>0</del>	17,418	1.13	227 <del>0</del>
333	Services	0	0	0	0			0
334	Meters and Meter Installations	0	0	0	0			0
335	Hydrants	0	0	0	0			0
336	Backflow Prevention Devices	0	0	0	0			0
339	Other Plant and Misc. Equipment	0	0	0	0			0
340	Office Furniture and Equipment	0	0	0	0			0
340.1	Computer & Software	0	0	0	0			0
341	Transportation Equipment	0	0	0	0			0
342	Stores Equipment	0	0	0	0			0
343	Tools, Shop and Garage Equipment	0	0	0	0			0
344	Laboratory Equipment	0	0	0	0			0
345	Power Operated Equipment	0	0	0	0			0
346	Communication Equipment	0	0	0	0			0
347	Miscellaneous Equipment	0	0	0	0			0
348	Other Tangible Plant	942 <del>0</del>	0	0	942 <del>0</del>	942		0
	Subtotal	41,995 <del>80</del>	\$0	\$0	41,995 <del>80</del>	39,332 <del>80</del>		227 <del>80</del>

Contribution(s) in Aid of Construction (Gross)  
 Less: Non Amortizable Contribution(s)  
 Fully Amortized Contribution(s)  
 Amortizable Contribution(s) \_\_\_\_\_ \$0  
 Times: Proposed Amortization Rate  
 Amortization of CIAC

Less: Amortization of CIAC   
 DEPRECIATION EXPENSE

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.

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Annual Report  
 Balance Sheet Assets  
 12/31/18

Balance Sheet Assets			
Account No.	Assets	Balance at Beginning of Year (2018)	Balance at End of Year (2018)
<b>Current and Accrued Assets</b>			
131	Cash	1,071	469
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes Receivable from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>Total Current and Accrued Assets</b>	<b>1,071 \$0</b>	<b>\$0</b>
<b>Fixed Assets</b>			
101	Utility Plant in Service*	41,995 \$0	41,995 \$0
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation (enter as negative)*	<39,332>	<39,559> 0
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>Total Fixed Assets</b>	<b>2,663 \$0</b>	<b>2,436 \$0</b>
	<b>Total Assets</b>	<b>3,734 \$0</b>	<b>2,905 \$0</b>

**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

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 Annual Report  
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
Account No.	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
<b>Current Liabilities</b>				
231	Accounts Payable			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes		145	111
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	<b>Total Current Liabilities</b>		145 \$0	111 \$0
<b>Long Term Debt</b>				
224	Long Term Debt (Notes and Bonds)			
<b>Deferred Credits</b>				
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction			
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction			
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		\$0	\$0
	<b>Total Liabilities</b>		145 \$0	111 \$0
<b>Capital Accounts</b>				
201	Common Stock Issued		98,200	98,200
211	Other Paid-In Capital		15,750	23,000
215	Retained Earnings		<110,361>	<118,406>
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		3,589 \$0	2,794 \$0
	<b>Total Liabilities and Capital</b>		3,724 \$0	2,905 \$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.

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

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 Annual Report  
 Full time equivalent employees  
 12/31/18

**Full time equivalent employees**

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

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 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
	<b>Operating Revenue</b>		
461	Metered Water Revenue	1,893	2,339
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	<b>Total Revenues</b>	1,893 \$0	2,339 \$0
	<b>Operating Expenses</b>		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water	1,144	
615	Purchased Power		1,127
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	4,421	1,108
620.2	Office Supplies and Expense		18
630	Contractual Services		
631	Contractual Services -Engineering		
632	Contractual Services - Accounting	1,242	1,021
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	1,528	1,665
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability	845	1,203
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	316	524
403	Depreciation Expense (From Schedule AR4)	227	229
408	Taxes Other Than Income	132	145
408.11	Property Taxes	83	86
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	<b>Total Operating Expenses</b>	9,938 \$0	7,126 \$0
	<b>Operating Income / (Loss)</b>	< 8,045 > \$0	< 4,787 > \$0
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	\$0	\$0
	<b>Net Income / (Loss)</b>	< 8,045 > \$0	< 4,787 > \$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.



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	N/A			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:

Meter Deposits Refunded During the Test Year:

*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.

<b>TREATMENT EQUIPMENT:</b>	<i>Chlorinator</i>
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<b>STRUCTURES:</b>	
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<b>OTHER:</b>	
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**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:	0
ADEQ Public Water System Number:	13030
ADWR PCC Number:	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	9	1	2		
February	9	1	2		
March	9	1	2		
April	9	1	2		
May	9	1	2		
June	9	1	2		
July	9	1	2		
August	9	1	2		
September	10		2		
October	10		2		
November	10		2		
December	10		2		

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 (GPCPD) 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

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Annual Report  
Property Taxes  
12/31/18

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2018 was

82.62

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.

Verification and Sworn Statement (Taxes)

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

County of (county name): YAVAPAI  
Name (owner or official) title:  
Company name: Granite Dells Water Company

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.

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ARIZONA CORPORATION  
COMMISSION

Richard M. Horsley, treasurer  
signature of owner/official

(928) 445-9018  
telephone no.

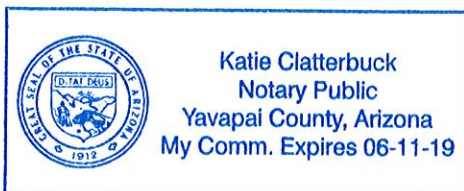
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

THIS

18<sup>th</sup> DAY OF YAVAPAI  
MARCH, 2019  
(month) and (year)

MY COMMISSION EXPIRES

6-11-2019  
(date)



Katie Clatterbuck  
(signature of notary public)



**Verification and Sworn Statement**

**Verification:**

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

County of (county name): YAVAPAI

Name (owner or official) title:

Company name: Granite Dells Water Company

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:

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 ARIZONA CORPORATION  
 COMMISSION

Arizona Intrastate Gross Operating Revenues Only (\$)  
1,893  
 (The amount in the box above includes  
116 in sales taxes  
 billed or collected)

Richard M. Howley, treasurer  
 signature of owner/official

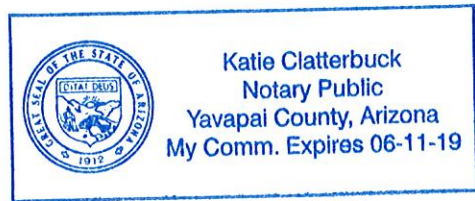
(928) 445-9018  
 telephone no.

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

THIS 18th DAY OF MARCH 2019  
(county name)  
(month) and (year)

MY COMMISSION EXPIRES 6-11-2019  
(date)

Katie Clatterbuck  
 (signature of notary public)



**Verification and Sworn Statement (Residential Revenue)**

**Verification:**

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

County of (county name): Yavapai  
Name (owner or official) title: 0  
Company name: Granite Dells Water Company

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 (\$)

1,227  
(The amount in the box above includes  
80 in sales taxes  
billed or collected)

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COMMISSION

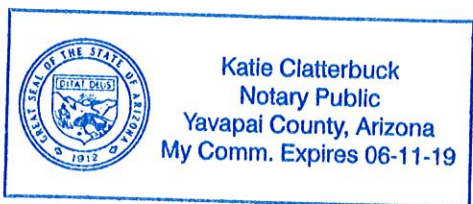
Richard M. Howley, treasurer  
signature of owner/official

(928) 445-9018  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY YAVAPAI  
(county name)

THIS 18th DAY OF MARCH, 2019  
(month) and (year)

MY COMMISSION EXPIRES 6-11-2019  
(date)



Katie Clatterbuck  
(signature of notary public)