

ANNUAL REPORT

Of

Company Name: Cayetano, Inc. DBA Lakewood Water Company
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-01809A
For the Year Ended: 12/31/24

RECEIVED BY EMAIL
04/15/2025, 6:25 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@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: 4/15/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Cayetano, Inc. DBA Lakewood Water Company
A Class

E

 Utility

For the Calendar Year Ended: 12/31/24

Primary Address:

PO Box 85160		
City: Tucson	State: Arizona	Zip Code: 85754

Telephone Number:

520.623.5172

Date of Original Organization of Utility:

7/24/1974

Person to whom correspondence should be addressed concerning this report:

Name:

Gary Wene

Telephone No. :

520.623.5172

Address:

PO Box 85160		
City: Tucson	State: Arizona	Zip Code: 85754
Email: gwene@southwesternutility.com		

na

Name:

na

Telephone No. :

na

Address:

na		
City: na	State: na	Zip Code: na
Email: na		

na

Name:

na

Telephone No. :

na

Address:

na		
City: na	State: na	Zip Code: na
Email: na		

na

Name:

na

Telephone No. :

na

Address:

na		
City: na	State: na	Zip Code: na
Email: na		

na

Name:

na

Telephone No. :

na

Address:

na		
City: na	State: na	Zip Code: na
Email: na		

Ownership:

"C" Corporation

Counties Served:

Maricopa

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Cayetano, Inc. DBA Lakewood Water Company

Important changes during the year
--

No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	N/A

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	N/A

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	\$7,704	\$0	\$0	\$7,704	\$0	\$7,704
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	44,541	6,896	0	51,437	0	51,437
304	Structures and Improvements	15,880	0	0	15,880	0	15,880
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	89,410	0	0	89,410	0	89,410
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	1,512	0	0	1,512	0	1,512
311	Pumping Equipment	80,921	0	0	80,921	0	80,921
320	Water Treatment Equipment	1,352	0	0	1,352	0	1,352
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	23,893	0	0	23,893	0	23,893
330.1	Storage Tanks	4,923	0	0	4,923	0	4,923
330.2	Pressure Tanks	14,695	0	0	14,695	0	14,695
331	Transmission and Distribution Mains	91,700	0	0	91,700	0	91,700
333	Services	11,356	0	0	11,356	0	11,356
334	Meters and Meter Installations	40,552	0	0	40,552	0	40,552
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	6,562	0	0	6,562	0	6,562
340.1	Computer & Software	8,835	0	0	8,835	0	8,835
341	Transportation Equipment	1,800	0	0	1,800	0	1,800
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	13,631	0	0	13,631	0	13,631
346	Communication Equipment	606	0	0	606	0	606
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$459,871	\$6,896	\$0	\$466,768	\$0	\$466,768

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	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$7,704	\$0	\$0	\$7,704	\$0	\$7,704	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	44,541	6,896	0	51,437	0	51,437	0.00%	0
304	Structures and Improvements	15,880	0	0	15,880	0	15,880	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	89,410	0	0	89,410	0	89,410	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	1,512	0	0	1,512	0	1,512	0.00%	0
311	Pumping Equipment	80,921	0	0	80,921	0	80,921	0.00%	0
320	Water Treatment Equipment	1,352	0	0	1,352	0	1,352	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	23,893	0	0	23,893	0	23,893	0.00%	0
330.1	Storage Tanks	4,923	0	0	4,923	0	4,923	0.00%	0
330.2	Pressure Tanks	14,695	0	0	14,695	0	14,695	0.00%	0
331	Transmission and Distribution Mains	91,700	0	0	91,700	0	91,700	0.00%	0
333	Services	11,356	0	0	11,356	0	11,356	0.00%	0
334	Meters and Meter Installations	40,552	0	0	40,552	0	40,552	0.00%	0
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	6,562	0	0	6,562	0	6,562	0.00%	0
340.1	Computer & Software	8,835	0	0	8,835	0	8,835	0.00%	0
341	Transportation Equipment	1,800	0	0	1,800	0	1,800	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	13,631	0	0	13,631	0	13,631	0.00%	0
346	Communication Equipment	606	0	0	606	0	606	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$459,871	\$6,896	\$0	\$466,768	\$0	\$466,768		\$0

Contribution(s) in Aid of Construction (Gross)	\$18,135
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	18,135
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	
Amortization of CIAC	

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Cayetano, Inc. DBA Lakewood Water Company
Annual Report
Balance Sheet Assets
12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current and Accrued Assets			
131	Cash		\$35,988	(\$158,270)
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		8,310	25,261
146	Notes Receivable from Associated Companies		25,603	25,603
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$69,901	(\$107,406)
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$459,871	\$466,768
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(312,106)	0
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$147,766	\$466,768
	Total Assets		\$217,666	\$359,361

*Note these items feed automatically from AR3 UPIS Page 4

Cayetano, Inc. DBA Lakewood Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable		\$8,435	\$10,598
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies		10,168	10,168
235	Customer Deposits		644	630
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$19,247	\$21,396
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	(\$9,935)
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		18,135	18,135
272	Less: Amortization of Contributions		(18,135)	(18,135)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$19,247	\$11,461
	Capital Accounts			
201	Common Stock Issued		\$15,790	\$15,790
211	Other Paid-In Capital		80,520	80,520
215	Retained Earnings		101,509	103,721
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$197,819	\$200,032
	Total Liabilities and Capital		\$217,066	\$211,493

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

Cayetano, Inc. DBA Lakewood Water Company
Annual Report
Water Comparative Income Statement
12/31/24

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2024 - 12/31/2024	Last Year 01/01/2023 - 12/31/2023
	Operating Revenue		
461	Metered Water Revenue	\$110,544	\$109,900
460	Unmetered Water Revenue	30,737	2,000
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	0	0
	Total Revenues	\$141,280	\$111,900
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	10,712	10,203
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	185,161	630
620.2	Office Supplies and Expense	712	937
630	Contractual Services	0	317
631	Contractual Services - Engineering	7,778	520
632	Contractual Services - Accounting	2,062	2,199
633	Contractual Services - Legal	12,966	23,551
634	Contractual Services - Management Fees	48,000	49,749
635	Contractual Services - Water Testing	2,316	1,896
636	Contractual Services - Other	0	0
640	Rents	145,235	1,635
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	2,928	3,258
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	(35)	0
403	Depreciation Expense (From Schedule AR4)		7,194
408	Taxes Other Than Income	0	0
408.11	Property Taxes	436	6,266
409	Income Taxes	4,277	666
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$422,546	\$109,021
	Operating Income / (Loss)	(\$281,266)	\$2,879
	Other Income / (Expense)		
419	Interest and Dividend Income	\$146,622	\$62
421	Non-Utility Income	0	468
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$146,622	\$530
	Net Income / (Loss)	(\$134,644)	\$3,409

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.5	0.0	0.0	0.5
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.5	0.5
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	1.0	1.0
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.2	0.2
Accounting	0.0	0.0	0.1	0.1
Business Office	0.0	0.0	0.1	0.1
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	0.5	0.0	1.9	2.4

Cayetano, Inc. DBA Lakewood Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/24

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	NA	NA	NA	NA
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	NA	NA	NA	NA
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$661
---	-------

Meter Deposits Refunded During the Test Year:	\$1,429
---	---------

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.

[illegible]

Name of system water delivered to:	NA		
ADWR PCC Number:	NA		
Source of water delivered to another system	NA		

Name of system water received from:	NA	
ADWR PCC Number:		NA
Source of water received	NA	
Well registry 55# (55-XXXXXX):	NA	

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense ⁶	Purchased Power (kWh)
January	1,633,700	1,432,890	0.00	0.00	0.00	663	3,650
February	2,131,200	1,806,990	0.00	0.00	0.00	602.05	3,249
March	1,440,500	1,257,670	0.00	0.00	0.00	569	3,034
April	3,375,400	2,592,455	0.00	0.00	0.00	724	4,048
May	3,015,400	2,985,265	0.00	0.00	0.00	917	5,225
June	3,195,200	2,894,720	0.00	0.00	0.00	1,106	6,438
July	3,267,200	2,847,645	0.00	0.00	0.00	1,105	5,979
August	3,759,100	3,405,652	0.00	0.00	0.00	1,125	5,843
September	2,999,600	2,669,963	0.00	0.00	0.00	1,012	5,193
October	2,854,500	2,596,330	0.00	0	0.00	1,227	6,467
November	3,316,600	2,898,000	0.00	0.00	0.00	853	5,451
December	2,287,900	2,000,321	0.00	0.00	0.00	806	5,107
Totals	33,276,300	29,387,701	0.00	0.00	0.00	\$10,710	59,683

If applicable, in the space below please provide a description for all un-metered water use along with amounts:	
NA	

1	Water withdrawn - Total gallons of water withdrawn from pumped sources.
2	Water sold - Total gallons from customer meters, and other sales such as construction water.
3	Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4	Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
5	Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
6	Enter the total purchased power costs for the power meters associated with this system.
7	Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description			
Name of the System:		LAKEWOOD WATER CO.	
ADEQ Public Water System Number:		AZ410063	
ADWR PCC Number:		91-000426.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC, Steel	6,350
4.00	ACP, C900	9,100
6.00	AC/PVC	3,450
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	98%	70S	
Copper	2%	70S	
NA	NA	NA	
NA	NA	NA	
NA	NA	NA	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
50,000	STEEL	1	2008
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	322	57%	63%
0.75	2	100%	100%
1	6	67%	50%
1.5	1	0%	100%
2	2	100%	100%
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	STEEL	1	1962
5,000	STEEL	1	2000
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	CHLORINATOR
STRUCTURES:	NA
OTHER:	NA

Customer and Other Information	
Name of the System:	LAKWOOD WATER CO
ADEQ Public Water System Number:	AZ0410063
ADWR PCC Number:	91-000426.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	303	0	7	1	2
February	303	0	7	1	2
March	303	0	7	1	2
April	303	0	7	1	2
May	303	0	7	1	2
June	304	0	7	1	2
July	303	0	7	1	2
August	303	0	7	1	2
September	303	0	7	1	2
October	303	0	7	1	2
November	304	0	7	1	2
December	304	0	7	1	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?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

NA

Cayetano, Inc. DBA Lakewood Water Company
Annual Report
 Utility Shutoffs / Disconnects
 12/31/24

Utility Shutoffs / Disconnects	
Name of the System:	LAKEWOOD WATER CO.
ADEQ Public Water System Number:	AZ0410063
ADWR PCC Number:	91-000426.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	0	0
February	0	1	0
March	0	1	0
April	0	0	0
May	0	2	0
June	0	0	0
July	0	0	0
August	0	7	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	11	0

Other (description):

NA

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.

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2024 was
--

\$436

If no property taxes paid, explain why.

NA

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 Certification (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Lacey Merritt
Company name: Cayetano, Inc. DBA Lakewood Water Company

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

FOR THE YEAR ENDING: 12/31/24

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.

Certification: I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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

Lacey Merritt
signature of owner/official

520-624-1460
telephone no.



Rose S. Chacon
Pima County
12/18/26