

**ANNUAL REPORT**

Of

Company Name: **Caballeros Water Company, Inc**

Mailing Address: **1551 S. Vulture Mine Rd.  
Wilkenburg, AZ 85390**

Docket No.:  
For the Year Ended: **12/31/18**

RECEIVED  
UTILITIES DIVISION  
2019 APR 23 A 9:57  
ARIZONA CORPORATION  
COMMISSION

**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**

4-24-19

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT

0

A Class  Utility

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

2. Address:

City: 1551 S Vulture Mine Rd.  
Wickenburg State: AZ Zip Code: 85390

3. Telephone Number:

928-684-5484

4. Date of Original Organization of Utility:

1965

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

Name: Dallas C Gant Jr.  
Telephone No. : 928-684-5484  
Address: 1551 S. Vulture Mine Rd.  
City: Wickenburg State: AZ Zip Code: 85390  
Email: \_\_\_\_\_

6. On-Site Manager:

Name: Dallas C. Gant Jr.  
Telephone No. : 928-684-5484  
Address: 1551 S. Vulture Mine Rd.  
City: Wickenburg State: AZ Zip Code: 85390  
Email: \_\_\_\_\_

7. Ownership:

Subchapter S Corp

8. Counties Served:

Maricopa

Annual Report  
 Utility Plant in Service (Water)  
 12/31/18

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
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	20609			0	20609	-
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	22520			0	22520	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				0		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				0		0
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	119892			0	107404	12488
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				0		0
	<b>Totals</b>	<b>163021</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>150533</b>	<b>\$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.

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
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	20609	0	0	0	20609		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	22520	0	0	0	22520		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	0	0	0	0			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	0	0	0	0			0
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	119892	0	0	0	107404		2499
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	0	0	0	0			0
	<b>Subtotal</b>	<b>163021</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>150533</b>	<b>\$0</b>	<b>2499</b>

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

\$0

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	22,748	38,037
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	2,975	2511
146	Notes Receivable from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	243,942	272,635
	<b>Total Current and Accrued Assets</b>	269,665 \$0	313,178 \$0
<b>Fixed Assets</b>			
101	Utility Plant in Service*	1103021 \$0	1103021 \$0
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation (enter as negative)*	<1074047	<1049057 0
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>Total Fixed Assets</b>	55617 \$0	58116 \$0
	<b>Total Assets</b>	24048 \$0	371,294 \$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 these items feed automatically from AR3 UPIS Page 3

0  
 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.	<b>Current Liabilities</b>			
231	Accounts Payable			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	<b>Total Current Liabilities</b>		<b>\$0</b>	<b>\$0</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		58100	58100
	<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>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$0</b>	<b>\$0</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings			
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities and Capital</b>		<b>\$0</b>	<b>\$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:** Total liabilities and Capital must match total assets for the beginning and end of the year!

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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	40408		40578	
460	Unmetered Water Revenue				
462	Fire Protection Revenue				
469	Guaranteed Revenues (Surcharges)				
471	Miscellaneous Service Revenues				
474	Other Water Revenue				
	<b>Total Revenues</b>	40408	\$0	40578	\$0
	<b>Operating Expenses</b>				
601	Salaries and Wages				
604	Employee Pensions and Benefits				
610	Purchased Water				
615	Purchased Power	15261		16567	
618	Chemicals				
620	Materials and Supplies				
620.1	Repairs and Maintenance	785			
620.2	Office Supplies and Expense				
630	Contractual Services				
631	Contractual Services -Engineering				
632	Contractual Services - Accounting	2095		2115	
633	Contractual Services - Legal				
634	Contractual Services - Management Fees				
635	Contractual Services - Water Testing	1004		902	
636	Contractual Services - Other	1800		2400	
640	Rents				
641	Rental of Building/Real Property				
642	Rental of Equipment				
650	Transportation Expenses				
657	Insurance - General Liability				
657.1	Insurance - Health and Life				
665	Regulatory Commission Expense - Rate				
670	Bad Debt Expense				
675	Miscellaneous Expense	620		1032	
403	Depreciation Expense (From Schedule AR4)				
408	Taxes Other Than Income	21030		1933	
408.11	Property Taxes	1359		1512	
409	Income Taxes				
427.1	Customer Security Deposit Interest				
	<b>Total Operating Expenses</b>	25552	\$0	26461	\$0
	<b>Operating Income / (Loss)</b>	14856	\$0	14117	\$0
	<b>Other Income / (Expense)</b>				
419	Interest and Dividend Income	7315		4184	
421	Non-Utility Income	21373		12039	
426	Miscellaneous Non-Utility (Expense)				
427	Interest (Expense)				
	<b>Total Other Income / (Expense)</b>	28688	\$0	16223	\$0
	<b>Net Income / (Loss)</b>	43544	\$0	32340	\$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.

0  
Annual Report  
Full time equivalent employees  
12/31/18

N/A

**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.



0

Annual Report  
Supplemental Financial Data (Long-Term Debt)  
12/31/18

N

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amt. Issued		N/A		
Amount Outstanding		N/A		
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.**

Well and Water Usage									
Name of the System:									
ADEQ Public Water System Number:									
ADWR PCC Number:									
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Meter Size (inches)	How measured:	Active
55-081409C	25	175		10					

Name of system water delivered to: \_\_\_\_\_

ADWR PCC Number: \_\_\_\_\_

Source of water delivered to another system \_\_\_\_\_

Name of system water received from: \_\_\_\_\_

ADWR PCC Number: \_\_\_\_\_

Source of water received \_\_\_\_\_

Well registry 55# (55-XXXXXX): \_\_\_\_\_

Month	Water withdrawn (acre ft) <sup>1</sup>	Water sold (acre ft) <sup>2</sup>	Water delivered (sold) to other systems (acre ft) <sup>3</sup>	Water received (purchased) from other systems (acre ft) <sup>4</sup>	Estimated authorized use (acre ft) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January							
February							
March							
April							
May							
June							
July							
August							
September							
October							
November							
December							
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

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

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

1 Water withdrawn - Total acre feet of water withdrawn from pumped sources.

2 Water sold - Total acre feet from customer meters, and other sales such as construction water.

3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.

4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.

5 Estimated authorized use - Total estimated acre feet 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:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

MAINS		
Sizes (inches)	Material	Length (feet)

CUSTOMER METERS	
Size (inches)	Quantity

SERVICE LINES	
Material	Percent of system

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	1	

FIRE HYDRANTS	
Type	Quantity
Standard *	
Other	

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
4000	Metal	1
7000	Metal	1
5000	Metal	1

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
2000	M	1
5000	M	1

**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

\* 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.**

<b>TREATMENT EQUIPMENT:</b>	
---------------------------------	--

<b>STRUCTURES:</b>	
--------------------	--

<b>OTHER:</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. 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:	
ADWR PCC Number:	

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	60				
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					

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

1359

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.

Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/18

Verification and Sworn Statement (Taxes)

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

County of (county name): Maricopa  
Name (owner or official) title: Dallas C. Gant JR. President  
Company name: 0 Caballeros Water Company, Inc.

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.

Dallas C. Gant  
signature of owner/official

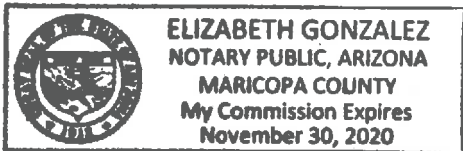
928-684-5484  
telephone no.

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

THIS 19th DAY OF April 2019  
(month) and (year)

MY COMMISSION EXPIRES 11-30-2020  
(date)

Elizabeth Gonzalez  
(signature of notary public)





Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Maricopa  
Name (owner or official) title: Dallas C Gant JR. President  
Company name: Caballeros Water

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

FOR THE YEAR ENDING: 12/31/18

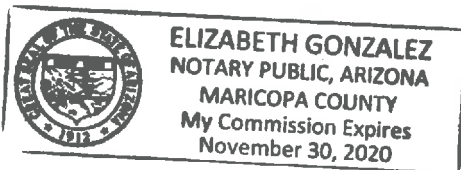
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND 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 (\$)  
40408  
(The amount in the box above includes  
2630 in sales taxes  
billed or collected)

Dallas Gant  
signature of owner/official  
928-684-5484  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY Maricopa  
THIS 19th DAY OF April 2019  
(month) and (year)  
MY COMMISSION EXPIRES 11-30-2020  
(date)



Elizabeth Gonzalez  
(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): Maricopa  
Name (owner or official) title: Dallas C. Gant JR President  
Company name: Caballeros 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:

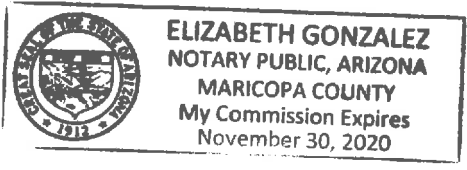
Arizona Intrastate Gross Operating Revenues Only (\$)  
40408  
(The amount in the box above includes  
2630 in sales taxes  
billed or collected)

Dallas Gant  
signature of owner/official  
928-684-5484  
telephone no.

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

THIS 19th DAY OF April 2019  
(month) and (year)

MY COMMISSION EXPIRES 11-30-20  
(date)



Elizabeth Gonzalez  
(signature of notary public)