

ANNUAL REPORT

Of

Company Name:
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-02393A
For the Year Ended:

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:
Application Date:

4-23-19

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Chaparral Water Properties, Inc.
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
303	Land and Land Rights	17,000			17,000		17,000
304	Structures and Improvements	73,989			73,989	68,736	5,253
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	36,106			36,106	36,106	0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	51,613	10,155		61,768	42,047	19,721
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants	749	1,500		2,249	774	1,475
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	116,118			116,118	98,330	17,788
330.2	Pressure Tanks	16,753			16,753	2,094	14,659
331	Transmission and Distribution Mains	94,574			94,574	54,769	39,805
333	Services	81,959	15,153		97,112	46,884	50,228
334	Meters and Meter Installations	27,355	4,755		32,110	19,689	12,421
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment	467			467	233	234
340.1	Computer & Software	12,079			12,079	12,079	0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment	6,550			6,550	6,550	0
345	Power Operated Equipment				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant				0		0
	Totals	\$535,312	\$31,563	\$0	\$566,875	\$388,291	\$178,584

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.

Chaparral Water Properties, Inc.
 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	17,000	0	0	17,000	17,000		0
304	Structures and Improvements	73,989	0	0	73,989		3.33%	2,464
305	Collecting & Improving Reservoirs	0	0	0	0			0
306	Lake, River, Canal Intakes	0	0	0	0			0
307	Wells and Springs	36,106	0	0	36,106	36,106	3.33%	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	51,613	10,155	0	61,768	14,760	12.50%	5,241
320	Water Treatment Equipment	0	0	0	0			0
320.1	Water Treatment Plants	749	1,500	0	2,249	749	3.33%	25
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	116,118	0	0	116,118		2.22%	2,578
330.2	Pressure Tanks	16,753	0	0	16,753		5.00%	838
331	Transmission and Distribution Mains	94,574	0	0	94,574		2.00%	1,891
333	Services	81,959	15,153	0	97,112	44,646	3.33%	1,495
334	Meters and Meter Installations	27,355	4,755	0	32,110	16,728	8.33%	1,083
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	467	0	0	467		6.67%	31
340.1	Computer & Software	12,079	0	0	12,079	12,079	20.00%	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	6,550	0	0	6,550		10.00%	655
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
	Subtotal	\$535,312	\$31,563	\$0	\$566,875	\$142,068		\$16,301

Contribution(s) in Aid of Construction (Gross) \$0
 Less: Non Amortizable Contribution(s) 0
 Fully Amortized Contribution(s) 0
 Amortizable Contribution(s) \$0
 Times: Proposed Amortization Rate 3.84%
 Amortization of CIAC \$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$16,301

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.

Chaparral Water Properties, Inc.
 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		\$23,411	\$33,551
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		11,565	10,767
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$34,976	\$44,318
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$535,312	\$566,875
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(371,990)	(388,291)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$163,322	\$178,584
	Total Assets		\$198,298	\$222,902

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

Chaparral Water Properties, Inc.
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		\$4,381	\$5,997
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		12,443	13,156
236	Accrued Taxes		877	818
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$17,701	\$19,971
	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		2,320	4,508
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction			
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$2,320	\$4,508
	Total Liabilities		\$20,021	\$24,479
	Capital Accounts			
201	Common Stock Issued		\$54,750	\$54,750
211	Other Paid-In Capital		62,494	62,494
215	Retained Earnings		61,033	81,179
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$178,277	\$198,423
	Total Liabilities and Capital		\$198,298	\$222,902

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!

Chaparral Water Properties, Inc.
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	\$184,665	\$176,334
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	5,873	5,209
	Total Revenues	\$190,538	\$181,543
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	29,915	32,005
618	Chemicals	1,356	1,240
620	Materials and Supplies		
620.1	Repairs and Maintenance	14,918	24,788
620.2	Office Supplies and Expense	3,264	3,195
630	Contractual Services		
631	Contractual Services -Engineering		
632	Contractual Services - Accounting	1,738	1,685
633	Contractual Services - Legal	1,102	986
634	Contractual Services - Management Fees	17,636	49,807
635	Contractual Services - Water Testing	1,903	4,234
636	Contractual Services - Other	39,603	4,313
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	169	257
657	Insurance - General Liability	3,114	2,799
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		2,646
670	Bad Debt Expense	1,270	549
675	Miscellaneous Expense	2,195	2,042
403	Depreciation Expense (From Schedule AR4)	16,301	14,384
408	Taxes Other Than Income		
408.11	Property Taxes	7,007	6,847
409	Income Taxes	6,500	50
427.1	Customer Security Deposit Interest	273	273
	Total Operating Expenses	\$148,264	\$152,100
	Operating Income / (Loss)	\$42,274	\$29,443
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	\$42,274	\$29,443

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.

Full time equivalent employees

	Direct Company	Outside service	Total
President	0.0		0.0
Vice-president	0.0		0.0
Manager	0.0	unable	#####
Engineering Staff	0.0	to	#####
System Operator(s)	0.0	determine	#####
Meter reader	0.0	without	#####
Customer Service	0.0	significant	#####
Accounting	0.0	analysis	#####
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	#####

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.

Chaparral Water Properties, Inc.
 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	No loans			
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:	\$4,508
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Meter Deposits Refunded During the Test Year:	\$363
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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:	Chlorination equipment at well sites 1, 2 and 3
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STRUCTURES:	8 x 12 foot metal storage shed
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OTHER:	N/A
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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:	CHAPARRAL WATER COMPANY
ADEQ Public Water System Number:	17-064
ADWR PCC Number:	91-000204.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	309	0	2	0	0
February	311	0	2	0	0
March	313	0	2	0	0
April	313	0	2	0	0
May	315	0	2	0	0
June	318	0	2	0	0
July	318	0	2	0	0
August	316	0	2	0	0
September	314	0	2	0	0
October	314	0	2	0	0
November	315	0	2	0	0
December	314	0	2	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 (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.

Chaparral Water Properties, Inc.
Annual Report
Property Taxes
12/31/18

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2018 was	\$6,927
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If no property taxes paid, explain why. N/A
--

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.

Chaparral Water Properties, Inc.
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): Pima
Name (owner or official) title: Bonnie O'Connor
Company name: Chaparral Water Properties, Inc.

RECEIVED

APR 15 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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.



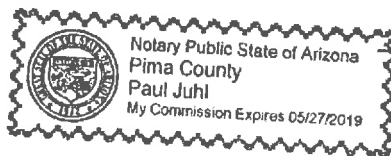
signature of owner/official


520-623-5172
telephone no.

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

THIS 10th DAY OF Pima
(county name)
April 2019
(month) and (year)

MY COMMISSION EXPIRES 5/27/19
(date)





(signature of notary public)

RECEIVED

APR 15 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and Sworn Statement

Verification:

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

County of (county name): Pima

Name (owner or official) title: Bonnie O'Connor

Company name: Chaparral Water Properties, 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: 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 (\$)

\$202,790

(The amount in the box above includes

\$12,252 in sales taxes
billed or collected)

B. O'Connor
signature of owner/official

520-623-5172
telephone no.

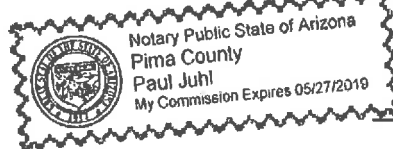
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS

10th DAY OF Pima
April 2019
(county name)
(month) and (year)

MY COMMISSION EXPIRES

5/27/19
(date)



[Signature]
(signature of notary public)

Chaparral Water Properties, Inc.
Annual Report
Verification and Sworn Statement (Residential Revenue)
12/31/18

RECEIVED

APR 15 2019

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Pima
Name (owner or official) title: Bonnie O'Connor
Company name: Chaparral Water Properties, Inc.

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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 (\$)

\$196,946
(The amount in the box above includes
\$11,672 in sales taxes
billed or collected)

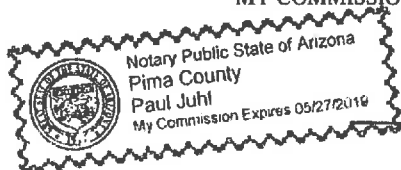
[Signature]
signature of owner/official

520-623-5172
telephone no.

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

THIS 10th DAY OF April 2019
(month) and (year)

MY COMMISSION EXPIRES 5/27/19
(date)



[Signature]
(signature of notary public)

Company	Chaparral Water Properties, Inc.	
Docket No.:	W-02393A	
Name of the System:	CHAPARRAL WATER COMPANY	
ADEQ Public Water System Number:	AZ0407064	
ADWR PCC Number:	91-000204.0000	

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	6	0
February	0	5	0
March	0	8	0
April	0	7	0
May	0	8	0
June	0	7	0
July	0	9	0
August	0	13	0
September	0	18	0
October	0	8	0
November	0	3	0
December	0	0	0
Total	0	92	0

Other (description):

N/A

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.