

ANNUAL REPORT

Of

Company Name:

CIENEGA WATER CO INC

Mailing Address:

7804 RIVERSIDE DR, PARKER, AZ 85344

Docket No.:

For the Year Ended:

12/31/17

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: 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:

1/18/2018

4-2-18

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT

0

A Class Utility

1. For the Calendar Year Ended: 12/31/17

2. Address: 7804 RIVERSIDE DR
City: PARKER State: AZ Zip Code: 85344

3. Telephone Number: 928/667-3346

4. Date of Original Organization of Utility: 7/1/1965

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

Name: DEBRA KILGORE
Telephone No.: 928/667-3346
Address: 7806 RIVERSIDE DR
City: PARKER State: AZ Zip Code: 85344
Email: CIENEGAWATER@YAHOO.COM

6. On-Site Manager:

Name: BRANDON KILGORE
Telephone No.: 928/667-3346
Address: 7804 RIVERSIDE DR
City: PARKER State: AZ Zip Code: 85344
Email: BKILGORE23@YAHOO.COM

7. Ownership: C CORPORATION

8. Counties Served: LA PAZ

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		
302	Franchises	0			0	0	0		
303	Land and Land Rights	0			0	0	0		
304	Structures and Improvements	0			0	0	0		
305	Collecting & Improving Reservoirs	0			0	0	0		
306	Lake, River, Canal Intakes	0			0	0	0		
307	Wells and Springs	32600			0	21025	11575		
308	Infiltration Galleries	0			0	0	0		
309	Supply Mains	0			0	0	0		
310	Power Generation Equipment	0			0	0	0		
311	Pumping Equipment	0			0	0	0		
320	Water Treatment Equipment	0			0	0	0		
320.1	Water Treatment Plants	0			0	0	0		
320.2	Solution Chemical Feeders	0			0	0	0		
320.3	Point-of-Use Treatment Devices	0			0	0	0		
330	Distribution Reservoirs and Standpipes	0			0	0	0		
330.1	Storage Tanks	39204			0	28482	10722		
330.2	Pressure Tanks	0			0	0	0		
331	Transmission and Distribution Mains	61812			0	46470	15342		
333	Services	20637			0	13039	7598		
334	Meters and Meter Installations	17880			0	17880	0		
335	Hydrants	0			0	0	0		
336	Backflow Prevention Devices	0			0	0	0		
339	Other Plant and Misc. Equipment	3545			0	2666	879		
340	Office Furniture and Equipment	0			0	0	0		
340.1	Computer & Software	1979			0	1979	0		
341	Transportation Equipment	0			0	0	0		
342	Stores Equipment	0			0	0	0		
343	Tools, Shop and Garage Equipment	5825			0	5825	0		
344	Laboratory Equipment	0			0	0	0		
345	Power Operated Equipment	12155			0	7049	5106		
346	Communication Equipment	0			0	0	0		
347	Miscellaneous Equipment	0			0	0	0		
348	Other Tangible Plant	0			0	00	0		
	Totals	195636	\$0	\$0	\$0	144415	\$0	51221	\$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.

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	00	\$0		
302	Franchises	0	0	0	0	0	0	0		
303	Land and Land Rights	0	0	0	0	0	0	0		
304	Structures and Improvements	0	0	0	0	0	0	0		
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0		
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0		
307	Wells and Springs	32600	0	0	0	32600	2.28	738		
308	Infiltration Galleries	0	0	0	0	0	0	0		
309	Supply Mains	0	0	0	0	0	0	0		
310	Power Generation Equipment	0	0	0	0	0	0	0		
311	Pumping Equipment	0	0	0	0	0	0	0		
320	Water Treatment Equipment	0	0	0	0	0	0	0		
320.1	Water Treatment Plants	0	0	0	0	0	0	0		
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0		
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0		
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0		
330.1	Storage Tanks	39204	0	0	0	39204	4.00	1568		
330.2	Pressure Tanks	0	0	0	0	0	0	0		
331	Transmission and Distribution Mains	61812	0	0	0	61812	4.00	2472		
333	Services	20637	0	0	0	20637	0	0		
334	Meters and Meter Installations	17880	0	0	0	17880	0	0		
335	Hydrants	0	0	0	0	0	0	0		
336	Backflow Prevention Devices	0	0	0	0	0	0	0		
339	Other Plant and Misc. Equipment	3545	0	0	0	3545	4.00	142		
340	Office Furniture and Equipment	0	0	0	0	0	0	0		
340.1	Computer & Software	1978	0	0	0	1978	0	0		
341	Transportation Equipment	0	0	0	0	0	0	0		
342	Stores Equipment	0	0	0	0	0	0	0		
343	Tools, Shop and Garage Equipment	5825	0	0	0	5825	0	0		
344	Laboratory Equipment	0	0	0	0	0	0	0		
345	Power Operated Equipment	12155	0	0	0	12155	4.00	486		
346	Communication Equipment	0	0	0	0	0	0	0		
347	Miscellaneous Equipment	0	0	0	0	0	0	0		
348	Other Tangible Plant	0	0	0	0	0	0	0		
	Subtotal	195636	\$0	\$0	\$0	195636	\$0	2.76	5406	\$0

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 CIENEGA WATER COMPANY INC
 Balance Sheet Assets
 12/31/17

Balance Sheet Assets					
Assets		Balance at Beginning of Year (2017)		Balance at End of Year (2017)	
Account No.	Current and Accrued Assets				
131	Cash	75401		97621	
134	Working Funds	0		0	
135	Temporary Cash Investments	0		0	
141	Customer Accounts Receivable	0		0	
146	Notes Receivable from Associated Companies	0		30	
151	Plant Material and Supplies	0		0	
162	Prepayments	0		0	
174	Miscellaneous Current and Accrued Assets	904		0	
	Total Current and Accrued Assets	76305	\$0	97651	\$0
Account No.	Fixed Assets				
101	Utility Plant in Service*	195636	\$0	195636	\$0
103	Property Held for Future Use	0		0	
105	Construction Work in Progress	0		0	
108	Accumulated Depreciation (enter as negative)*	-139009		-144415	0
121	Non-Utility Property	0			
122	Accumulated Depreciation - Non Utility	0			
	Total Fixed Assets	56627	\$0	51221	\$0
	Total Assets	132932	\$0	148872	\$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

Annual Report CIENEGA WATER COMPANY INC
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
Account No.	Liabilities		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
	Current Liabilities			
231	Accounts Payable		0	0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		2310	2310
	Total Current Liabilities		2310	2310
			\$0	\$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		170979	170979
	Deferred Credits			
251	Unamortized Premium on Debt		0	0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits			
			\$0	\$0
	Total Liabilities		173289	173289
			\$0	\$0
	Capital Accounts			
201	Common Stock Issued		5700	5700
211	Other Paid-In Capital		0	0
215	Retained Earnings		-46057	-30117
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		-40357	-24417
			\$0	\$0
	Total Liabilities and Capital		132932	148872
			\$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.

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

Annual Report CIENEGA WATER COMPANY INC
 Water Comparative Income Statement
 12/31/17

Water Comparative Income Statement					
Account No.	Calendar Year	Current Year		Last Year	
		01/01/2017 - 12/31/2017		01/01/2016 - 12/31/2016	
	Operating Revenue				
461	Metered Water Revenue	28796		31267	
460	Unmetered Water Revenue	0		0	
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	28796	\$0	31267	\$0
	Operating Expenses				
601	Salaries and Wages	0		0	
604	Employee Pensions and Benefits	0		0	
610	Purchased Water	0		0	
615	Purchased Power	1405		1414	
618	Chemicals	0		0	
620	Materials and Supplies	389		0	
620.1	Repairs and Maintenance	0		880	
620.2	Office Supplies and Expense	311		0	
630	Contractual Services	0		0	
631	Contractual Services -Engineering	0		0	
632	Contractual Services - Accounting	965		930	
633	Contractual Services - Legal	0		0	
634	Contractual Services - Management Fees	0		315	
635	Contractual Services - Water Testing	820		934	
636	Contractual Services - Other	540		4188	
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	0		0	
657.1	Insurance - Health and Life	0		0	
665	Regulatory Commission Expense - Rate	0		0	
670	Bad Debt Expense	0		0	
675	Miscellaneous Expense	308		370	
403	Depreciation Expense (From Schedule AR4)	5406		5833	
408	Taxes Other Than Income	843		2329	
408.11	Property Taxes	965		824	
409	Income Taxes	904		2096	
427.1	Customer Security Deposit Interest	0			
	Total Operating Expenses	12856	\$0	20113	\$0
	Operating Income / (Loss)	15940	\$0	11154	\$0
	Other Income / (Expense)				
419	Interest and Dividend Income	0		0	
421	Non-Utility Income	0		0	
426	Miscellaneous Non-Utility (Expense)	0		0	
427	Interest (Expense)	0		0	
	Total Other Income / (Expense)		\$0		\$0
	Net Income / (Loss)	15940	\$0	11154	\$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)
 12/31/17

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	07/01/2002			
Source of Loan	PRIVATE			
ACC Decision No.	63751			
Reason for Loan	RECONST & REPL			
Dollar Amt. Issued	146553			
Amount Outstanding	102504			
Date of Maturity	06/03/2024			
Interest Rate	7.00%			
Current Year Interest	0			
Current Year Principal	0			

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 Use Data Sheet							
Name of the System:		0					
ADEQ Public Water System Number:		0					
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴	Purchased Power Expense ⁵	Purchased Power (kWh) ⁶
January	53	115	120				
February	54	98	103				
March	53	116	120				
April	52	124	128				
May	54	154	160				
June	54	169	174				
July	53	145	149				
August	53	151	156				
September	53	115	119				
October	53	123	136				
November	54	133	137				
December	53	132	138				
Totals		1575	1640	0	0	\$0	0

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

Does the system have chlorination treatment?

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

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

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 Gallons sold - Total gallons from customer meters, and other sold gallons such as Construction water.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or un-metered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.
- 5 Enter the total purchased power costs for the power meters associated with this system.
- 6 Enter the total purchased kWh used by the power meters associated with this system.

0

Annual Report CIENEGA WATER COMPANY INC
Utility Shutoffs / Disconnects
12/31/17

ADEQ System No. :	AZ 0415-002	0
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Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January		1	
February		0	
March		1	
April		3	
May		0	
June		0	
July		1	
August		2	
September		1	
October		1	
November		0	
December		1	
Total	0	11	0

Other (description):

--

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 CIENEGA WATER COMPANY INC
Property Taxes
12/31/17

CIENEGA WATER COMPANY INC	Property Taxes
Amount of actual property taxes paid during Calendar Year 2017 was	965.20

If no property taxes paid, explain why.

Instructions: Fill out the Grey Cells with the relevent 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): LA PAZ
Name (owner or official) title: DEBRA KILGORE, VICE PRESIDENT
Company name: CIENEGA WATER COMPANY INC

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

FOR THE YEAR ENDING: 12/31/17

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.

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Signature]
signature of owner/official

928/667-3346
telephone no.

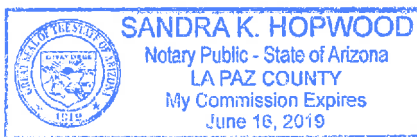
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS

16th DAY OF March 2018
(month) and (year)

MY COMMISSION EXPIRES

6/16/19
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement

Verification:

State of ARIZONA 0 I, the undersigned of the
(state name)
County of (county name): 0 LA PAZ
Name (owner or official) title: 0 DEBRA KILGORE, VICE PRESIDENT
Company name: 0 CIENEGA WATER COMPANY INC

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)

28795.52

(The amount in the box above includes

842.50 in sales taxes
billed or collected)

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Signature]
signature of owner/official

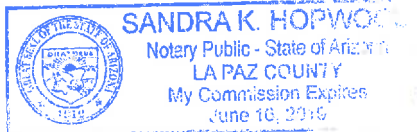
0
telephone no.

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

THIS 16th DAY OF March, 2018
(month) and (year)

MY COMMISSION EXPIRES

6/16/19
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of ARIZONA 0 I, the undersigned of the
 (state name)

County of (county name): 0 LA PAZ
 Name (owner or official) title: 0 DEBRA KILGORE, VICE PRESIDENT
 Company name: 0 CIENEGA WATER COMPANY INC

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)

28795.52
 (The amount in the box above includes
842.50 in sales taxes
 billed or collected)

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
 UTILITIES DIVISION - DIRECTOR'S OFFICE


 signature of owner/official

928/667-3346 0
 telephone no.

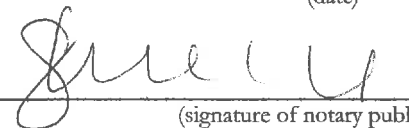
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
 IN AND FOR THE COUNTY

La Paz
 (county name)

THIS 16th DAY OF March, 2018
 (month) and (year)

MY COMMISSION EXPIRES 6/16/19
 (date)

SANDRA K. HOPWOOD
 Notary Public - State of Arizona
 LA PAZ COUNTY
 My Commission Expires
 June 16, 2019


 (signature of notary public)

SANDRA K. HOPWOOD
 Notary Public - State of Arizona
 LA PAZ COUNTY
 My Commission Expires
 June 16, 2019