

ANNUAL REPORT

Of

Company Name:
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-01917A
For the Year Ended:

RECEIVED BY EMAIL
4/28/2021, 5:27 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:
Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Dragoon Water Company
A Class Utility

For the Calendar Year Ended: 12/31/20

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership:

Counties Served:

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	\$6,983	\$0	\$0	\$6,983	\$0	\$6,983
302	Franchises				0		0
303	Land and Land Rights	5,187			5,187		5,187
304	Structures and Improvements	29,114			29,114	22,877	6,237
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	48,891			48,891	41,731	7,160
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	256,300			256,300	244,790	11,510
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants	3,649			3,649	1,519	2,130
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes	96,107			96,107	70,451	25,656
330.1	Storage Tanks	2,495			2,495	194	2,301
330.2	Pressure Tanks	1,473			1,473	203	1,270
331	Transmission and Distribution Mains	224,722			224,722	147,109	77,613
333	Services	24,211			24,211	14,824	9,387
334	Meters and Meter Installations	34,789			34,789	31,441	3,348
335	Hydrants	633			633	232	401
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment	4,045			4,045	4,045	0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment	280			280	217	63
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	15,575			15,575	15,180	395
	Totals	\$754,454	\$0	\$0	\$754,454	\$594,813	\$159,641

Dragoon Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/20

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	\$6,983	\$0	\$0	\$6,983	\$6,983	\$0		\$0
302	Franchises	0	0	0	0	0	0		0
303	Land and Land Rights	5,187	0	0	5,187	5,187	0		0
304	Structures and Improvements	29,114	0	0	29,114		29,114	3.33%	969
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	48,891	0	0	48,891		48,891	3.33%	1,628
308	Infiltration Galleries	0	0	0	0		0		0
309	Supply Mains	0	0	0	0		0		0
310	Power Generation Equipment	0	0	0	0		0		0
311	Pumping Equipment	256,300	0	0	256,300	235,097	21,203	12.50%	2,650
320	Water Treatment Equipment	0	0	0	0		0		0
320.1	Water Treatment Plants	3,649	0	0	3,649		3,649	3.33%	122
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	96,107	0	0	96,107		96,107	2.22%	2,134
330.1	Storage Tanks	2,495	0	0	2,495		2,495	2.22%	55
330.2	Pressure Tanks	1,473	0	0	1,473		1,473	5.00%	74
331	Transmission and Distribution Mains	224,722	0	0	224,722		224,722	2.00%	4,494
333	Services	24,211	0	0	24,211		24,211	3.33%	806
334	Meters and Meter Installations	34,789	0	0	34,789	29,097	5,692	8.33%	474
335	Hydrants	633	0	0	633		633	2.00%	13
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	4,045	0	0	4,045	4,045	0	6.67%	0
340.1	Computer & Software	0	0	0	0		0		0
341	Transportation Equipment	0	0	0	0		0		0
342	Stores Equipment	0	0	0	0		0		0
343	Tools, Shop and Garage Equipment	280	0	0	280		280	5.00%	14
344	Laboratory Equipment	0	0	0	0		0		0
345	Power Operated Equipment	0	0	0	0		0		0
346	Communication Equipment	0	0	0	0		0	10.00%	0
347	Miscellaneous Equipment	0	0	0	0		0		0
348	Other Tangible Plant	15,575	0	0	15,575		15,575	2.50%	389
	Subtotal	\$754,454	\$0	\$0	\$754,454	\$280,409	\$474,045		\$13,823

Contribution(s) in Aid of Construction (Gross)	\$187,023
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	124,735
Amortizable Contribution(s)	\$62,288
Times: Proposed Amortization Rate	4.15%
Amortization of CIAC	\$2,585

Less: Amortization of CIAC **\$2,585**

DEPRECIATION EXPENSE \$11,238

Dragoon Water Company
Annual Report
Balance Sheet Assets
12/31/20

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current and Accrued Assets			
131	Cash		\$32,232	\$60,155
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		1,632	(490)
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments		6,340	6,283
174	Miscellaneous Current and Accrued Assets		34,172	45,388
	Total Current and Accrued Assets		\$74,376	\$111,336
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$754,454	\$754,454
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(580,990)	(594,813)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$173,464	\$159,641
	Total Assets		\$247,840	\$270,977

*Note these items feed automatically from AR3 UPIS Page 4

Dragoon Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current Liabilities			
231	Accounts Payable		\$2,924	\$2,528
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		5,443	5,735
236	Accrued Taxes		439	554
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$8,806	\$8,817
	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		1,485	1,370
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		187,023	187,023
272	Less: Amortization of Contributions		(137,180)	(139,765)
281	Accumulated Deferred Income Tax		(6,695)	
	Total Deferred Credits		\$44,633	\$48,628
	Total Liabilites		\$53,439	\$57,445
	Capital Accounts			
201	Common Stock Issued		\$13,000	\$13,000
211	Other Paid-In Capital		168,642	168,642
215	Retained Earnings		12,759	31,890
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$194,401	\$213,532
	Total Liabilities and Capital		\$247,840	\$270,977

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

Dragoon Water Company
Annual Report
Water Comparative Income Statement
12/31/20

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	Operating Revenue		
461	Metered Water Revenue	\$118,012	\$104,647
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	980	1,395
	Total Revenues	\$118,992	\$106,042
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	10,319	11,205
618	Chemicals	431	
620	Materials and Supplies		
620.1	Repairs and Maintenance	570	4,570
620.2	Office Supplies and Expense	1,969	1,340
630	Contractual Services	1,631	
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	4,894	5,384
633	Contractual Services - Legal	13,911	
634	Contractual Services - Management Fees	40,272	21,730
635	Contractual Services - Water Testing	2,343	3,021
636	Contractual Services - Other	87	18,228
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	3,724	3,663
657	Insurance - General Liability	1,762	1,935
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	2,890	16,338
670	Bad Debt Expense		631
675	Miscellaneous Expense		120
403	Depreciation Expense (From Schedule AR4)	11,238	9,398
408	Taxes Other Than Income		
408.11	Property Taxes	5,024	5,097
409	Income Taxes		(2,480)
427.1	Customer Security Deposit Interest	235	
	Total Operating Expenses	\$101,300	\$100,180
	Operating Income / (Loss)	\$17,692	\$5,862
	Other Income / (Expense)		
419	Interest and Dividend Income	\$270	\$463
421	Non-Utility Income	74	1,348
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		(135)
	Total Other Income / (Expense)	\$344	\$1,676
	Net Income / (Loss)	\$18,036	\$7,538

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)			difficult to	0.0
Meter reader			determine	0.0
Customer Service				0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	No Loans at end			
Source of Loan	of 2020.			
ACC Decision No.	New loan in 2021			
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:	\$1,370
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Meter Deposits Refunded During the Test Year:	\$116
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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)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	Two chlorination injection systems
STRUCTURES:	10 x 10 foot block pump house at well 1, 10 x 12 foot booster house, 2 tin storage sheds
OTHER:	Two air chargers, two air compressors

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	146
Method used:	(a)

Customer and Other Information	
Name of the System:	DRAGOON WATER CO
ADEQ Public Water System Number:	AZ0402015
ADWR PCC Number:	91-000036.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	115	0	3	0	3
February	117	0	3	0	3
March	117	0	3	0	3
April	117	0	3	0	3
May	116	0	3	0	3
June	117	0	3	0	3
July	119	0	3	0	3
August	116	0	3	0	3
September	118	0	3	0	3
October	118	0	3	0	3
November	118	0	3	0	3
December	118	0	3	0	3

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 (GCPCPD) requirement?
 If yes, provide the GPCPD amount:

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

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

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

* an ERC is based on the calculation on the bottom of AR9 page 12.

Dragoon Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	DRAGOON WATER CO
ADEQ Public Water System Number:	AZ0402015
ADWR PCC Number:	91-000036.0000

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

Other (description):

N/A

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.

Property Taxes

Amount of actual property taxes paid during Calendar Year 2020 was

\$5,061

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 Sworn Statement (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Dorinda Chacon, Manager
Company name: Dragoon Water Company

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

FOR THE YEAR ENDING: 12/31/20

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.

Dorinda Chacon
signature of owner/official

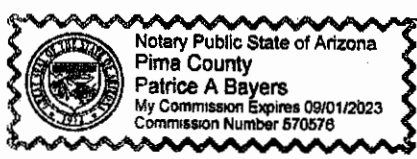
(520) 623-5172
telephone no.

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

THIS 27th DAY OF Pima
(county name)
April 2021
(month) and (year)

MY COMMISSION EXPIRES 9/01/2023
(date)

Patrice A. Bayers
(signature of notary public)



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: Dorinda Chacon, Manager
Company name: Dragoon Water Company

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

FOR THE YEAR ENDING: 12/31/20

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.

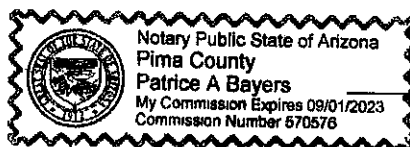
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$126,380
(The amount in the box above includes
\$7,388 in sales taxes
billed or collected)

Dorinda Chacon
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 27th DAY OF April 2021
(month) and (year)

MY COMMISSION EXPIRES 9/01/2023
(date)



Patrice A Bayers
(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): Pima
Name (owner or official) title: Dorinda Chacon, Manager
Company name: Dragoon Water Company

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

FOR THE YEAR ENDING: 12/31/20

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 (\$)

\$106,806
(The amount in the box above includes
\$6,244 in sales taxes
billed or collected)

Dorinda Chacon
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 27th DAY OF April 2021
(month) and (year)

MY COMMISSION EXPIRES 9/01/2023
(date)



Patrice A. Bayers
(signature of notary public)