

ANNUAL REPORT

Of

Company Name: Granite Dells Water Company

Mailing Address: 3025 N. Highway 89
Prescott, AZ 86301

Docket No.:
For the Year Ended: 12/31/17

RECEIVED

APR 02 2018

WATER UTILITY

To

Arizona Corporation Commission

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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: Original Filing
Application Date: 1/18/2018

4-3-18

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
0

A Class Utility

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

2. Address: 3025 N. State Route 89
City: Prescott State: Arizona Zip Code: 86301

3. Telephone Number: (928) 445-9018

4. Date of Original Organization of Utility: 3/1/1980

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

Name: Richard Horsley
Telephone No. : (928) 445-9018
Address: 3025 N. State Route 89
City: Prescott State: Arizona Zip Code: 86301
Email: rickhorsley@startmail.com

6. On-Site Manager:

Name: Jan Fillingim
Telephone No. : (928) 830-7425
Address: 2330A East Gate Road
City: Prescott State: Arizona Zip Code: 86301
Email:

7. Ownership: S Corporation

8. Counties Served: Yavapai

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	2,415			2,415 \$0	2,415	\$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	12,288			12,288 0	12,288	0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	5,562			5,562 0	5,562	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	707			707 0	707	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	20,081			20,081 0	17,418	2,663 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				0		0
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	942			942 0	942	0
	Totals	41,995 \$0	\$0	\$0	41,995 \$0	39,332 \$0	2,663 \$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.

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 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/17

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	2,415 00	\$0	\$0	2,415 00	2,415		\$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	12,288 0	0	0	12,288 0	12,288		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	5,562 0	0	0	5,562 0	5,562		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	707 0	0	0	707 0	707		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	20,081 0	0	0	20,081 0	17,189	1.14	229 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	0	0	0	0			0
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	942 0	0	0	942 0	942		0
	Subtotal	41,995 00	\$0	\$0	41,995 00	39,103		229 00

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.

Annual Report
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	1,854	1,071
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes Receivable from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	Total Current and Accrued Assets	1,856 \$0	1,071 \$0
Account No.	Fixed Assets		
101	Utility Plant in Service*	41,995 \$0	41,995 \$0
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation (enter as negative)*	<39,103>	<39,332> 0
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	Total Fixed Assets	2,892 \$0	2,663 \$0
	Total Assets	4,748 \$0	3,734 \$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

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			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes		123	145
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		123 \$0	145 \$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Deferred Credits			
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			
	Total Deferred Credits		\$0	\$0
	Total Liabilities		123 \$0	145 \$0
	Capital Accounts			
201	Common Stock Issued		98,200	98,200
211	Other Paid-In Capital		12,000	15,750
215	Retained Earnings		<1105,575>	<110,3617
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		4,625 \$0	3,589 \$0
	Total Liabilities and Capital		4,748 \$0	3,734 \$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!

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	Operating Revenue		
461	Metered Water Revenue	2,339	1,956
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	2,339 \$0	1,956 \$0
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	1,127	1,156
618	Chemicals		
620	Materials and Supplies		133
620.1	Repairs and Maintenance	1,109	196
620.2	Office Supplies and Expense	18	64
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	1,021	980
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	1,665	1,240
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability	1,203	985
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	524	<146>
403	Depreciation Expense (From Schedule AR4)	229	233
408	Taxes Other Than Income	145	123
408.11	Property Taxes	86	92
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	7,126 \$0	5,056 \$0
	Operating Income / (Loss)	<4,787> \$0	<3,100> \$0
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	<4,787> \$0	<3,100> \$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	N/A			
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:

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 Utility Plant Description (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
2			5/8 x 3/4	
3			3/4	
4			1	
5			1 1/2	
6			Compound 2	
8			Turbine 2	
10			Compound 3	
12			Turbine 3	
			Compound 4	
			Turbine 4	
			Compound 5	
			Turbine 5	
			Compound 6	
			Turbine 6	
			6+	

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

TREATMENT EQUIPMENT:	Chlorinator
STRUCTURES:	
OTHER:	

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.

Water Use Data Sheet							
Name of the System:		0					
ADEQ Public Water System Number:		013030					
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	14	84	89	N/A	N/A	93	500
February	14	117	120			95	643
March	14	101	103			115	377
April	14	81	86			76	374
May	14	92	92			83	449
June	14	124	120			98	606
July	14	116	114			124	399
August	14	85	85			89	139
September	14	99	91			97	354
October	14	81	81			93	325
November	14	58	61			82	276
December	14	69	78			80	418
Totals		1095	1120	0	0	1,125	4360

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 unmetered 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
Utility Shutoffs / Disconnects
12/31/17

ADEQ System No. :

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

0

Annual Report
Property Taxes
12/31/17

Property Taxes

Amount of actual property taxes paid during Calendar Year 2017 was

86

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.

Verification and Sworn Statement (Taxes)

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

County of (county name): Yavapai
Name (owner or official) title: Charles M. Horsley
Company name: Granite Dells Water Company

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

FOR THE YEAR ENDING: 12/31/17

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.

X Charles M. Horsley
signature of owner/official

(928) 445-9018
telephone no.

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

THIS 30th DAY OF Yavapai
March, 2018
(month) and (year)

MY COMMISSION EXPIRES 03/05/2021
(date)



Chrystian Baez
(signature of Notary public)

Verification and Sworn Statement

Verification:

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

County of (county name): Yavapai
Name (owner or official) title: Charles M. Horsley
Company name: Granite Dells Water Company

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

FOR THE YEAR ENDING: 12/31/17

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 (\$) 2,339
(The amount in the box above includes 146 in sales taxes billed or collected)

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Charles M. Horsley
signature of owner/official

(928) 445-9018
telephone no.

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

THIS March 30th DAY OF Yavapai
2018
(month) and (year)

MY COMMISSION EXPIRES 03/05/2021
(date)

Christian Baez
(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): Yavapai
Name (owner or official) title: Charles M. Horsley
Company name: Granite Dells Water Company

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)

1,299

(The amount in the box above includes

90 in sales taxes
billed or collected)

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Charles M. Horsley
signature of owner/official

(928) 445-9018
telephone no.



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

Yavapai
(county name)

THIS 30th DAY OF March 2018
(month) and (year)

MY COMMISSION EXPIRES 03/05/2021
(date)

Christi Baez
(signature of notary public)