

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01994A

Caballeros Water Company, Inc.
1551 S. Vulture Mine Rd.
Wickenburg, AZ 85390

RECEIVED
MAR 06 2013
ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
----	----	------

FOR COMMISSION USE

ANN 04	12
--------	----

3-8-13

COMPANY INFORMATION

Company Name (Business Name) Caballeros Water Company, Inc

Mailing Address 1551 S. Vulture Mine Road
Wickenburg AZ 85390
(City) (State) (Zip)

928-684-5484
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address rusty@sunc.com

Local Office Mailing Address SAME
(Street)
(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Dallas C. Gant, Jr. President
(Name) (Title)

1551 S. Vulture Mine Rd, Wickenburg AZ 85390
(Street) (City) (State) (Zip)

928-684-5484
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address rusty@sunc.com

On Site Manager: SAME
(Name)
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Evan Laughlin
 (Name)

1551 S. Vulture Mine Rd. Wickenburg AZ 85390
 (Street) (City) (State) (Zip)

928-684-5484
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: N/A
 (Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input checked="" type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

Caballeros Water Company, Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	20,609	19,829	780
311	Pumping Equipment	22,520	21,669	851
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	119,892	94,619	25,273
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	163,021	136,117	26,904

This amount goes on the Balance Sheet Acct. No. 108 

COMPANY NAME

Caballeros Water Company Inc

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	20,609	.0323	665
311	Pumping Equipment	22,520	.0323	727
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	119,892	various	2,742
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	163,021		4134

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403.



COMPANY NAME

Caballeros Water Company, Inc.

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 35,595	\$ 42,595
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	2,255	3,911
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	166,506	170,479
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 204,356	\$ 216,985
	FIXED ASSETS		
101	Utility Plant in Service	\$ 163,021	\$ 163,021
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	131,983	136,117
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 31,038	\$ 26,904
	TOTAL ASSETS	\$ 235,394	\$ 243,889

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME *Caballeros Water Company, Inc.*

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
LIABILITIES			
CURRENT LIABILITES			
231	Accounts Payable	\$ 165	\$ 311
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 165	\$ 311
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$ 58,100	\$ 58,100
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	\$ 58,265	\$ 58,411
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 300	\$ 300
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	176,829	185,178
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 177,129	\$ 185,478
	TOTAL LIABILITIES AND CAPITAL	\$ 235,394	\$ 243,889

COMPANY NAME

Cabaleros Water Company, Inc

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 42,042	\$ 41,410
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 42,042	\$ 41,410
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	14,656	11,187
618	Chemicals		
620	Repairs and Maintenance	63	1,121
621	Office Supplies and Expense		
630	Outside Services	4,525	3,300
635	Water Testing	863	791
641	Rents		
650	Transportation Expenses		
657	Insurance -- General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense -- Rate Case		
675	Miscellaneous Expense	710	1,686
403	Depreciation Expense	4,134	4,134
408	Taxes Other Than Income	3,057	3,261
408.11	Property Taxes	1,680	1,555
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 29,688	\$ 27,035
	OPERATING INCOME/(LOSS)	\$ 12,354	\$ 14,375
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 2,746	\$ 3,973
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ 2,746	\$ 3,973
	NET INCOME/(LOSS)	\$ 15,100	\$ 18,348

COMPANY NAME

Caballeros Water Company, Inc

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	<i>12/31/01</i>			
Source of Loan	<i>Owner</i>			
ACC Decision No.				
Reason for Loan	<i>Start up</i>			
Dollar Amount Issued	\$ <i>58,100</i>	\$	\$	\$
Amount Outstanding	\$ <i>58,100</i>	\$	\$	\$
Date of Maturity	<i>undetermined</i>			
Interest Rate	<i>undetermined</i>	%	%	%
Current Year Interest	\$ <i>N/A</i>	\$	\$	\$
Current Year Principle	\$ <i>N/A</i>	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ *0*

Meter Deposits Refunded During the Test Year

\$ *0*

COMPANY NAME	<i>Caballeros Water Company, Inc.</i>
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
<i>55-086682</i>	<i>25</i>	<i>175</i>		<i>10"</i>		

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>10 hp</i>	<i>1</i>		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>4,000</i>	<i>1</i>	<i>2,000</i>	<i>1</i>
<i>7,000</i>	<i>1</i>	<i>5,000</i>	<i>1</i>
<i>5,000</i>	<i>1</i>		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME *Caballeros Water Company, Inc*

Name of System: ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		4,760
12		6,980

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	3
1	55
1 1/2	1
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

STRUCTURES:

100 X 100 Fenced Yard
8 X 12 Pump House

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	<i>Caballeros Water Company, Inc</i>
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	60	1,494		
FEBRUARY		1,352		
MARCH		1,367		
APRIL		1,696		
MAY		2,410		
JUNE		2,696		
JULY		2,397		
AUGUST		2,413		
SEPTEMBER		2,312		
OCTOBER		2,570		
NOVEMBER		2,294		
DECEMBER		1,589		
TOTALS →		24,590		

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: N/A

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:	<i>Caboalleros Water Company, Inc</i>
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY		<i>N/A</i>	
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

COMPANY NAME Caballeros Water Company, Inc. YEAR ENDING 12/31/2012

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 1,555

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

MAR 06 2013

AZ CORP COMMISSION
Director - Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Dallas C. Gant, Jr., President</u>
COMPANY NAME <u>Caballeros Water Company, Inc</u>

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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.

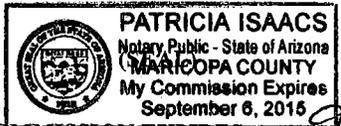
Dallas Gant
SIGNATURE OF OWNER OR OFFICIAL
928-684-5484
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 5th DAY OF

COUNTY NAME <u>Maricopa</u>
MONTH <u>March</u> <u>2013</u>



MY COMMISSION EXPIRES 9-6-15

Patricia Isaacs
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Caballeros Water Company, Inc YEAR ENDING 12/31/2012

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 17,739
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 17,739
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Dallas Gant
SIGNATURE

3-4-13
DATE

DALLAS GANT
PRINTED NAME

Pres
TITLE

MAR 06 2013

AZ CORP COMM
Director - Utilities

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Dallas C. Gant, Jr. President</u>
COMPANY NAME <u>Caballeros Water Company, Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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 REQUIREMENT 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 CALENDAR YEAR 2012 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$ <u>41,410</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 3,261 IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Dallas C. Gant, Jr.
SIGNATURE OF OWNER OR OFFICIAL
928-684-5484
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 5th DAY OF

COUNTY NAME <u>Maricopa</u>
MONTH <u>March</u> .20 <u>13</u>



Patricia Isaacs
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

MAR 06 2013

AZ COMM COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>Maricopa</i>	
NAME (OWNER OR OFFICIAL) <i>Dallas C. Gant, Jr.</i>	TITLE <i>President</i>
COMPANY NAME <i>Caballeros Water Company, Inc.</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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 40-401.01, 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 CALENDAR YEAR 2012 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>41,410</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 3,261 IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

Dallas Gant

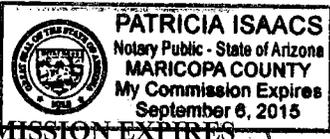
SIGNATURE OF OWNER OR OFFICIAL

928. 684-5184

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 5th DAY OF

NOTARY PUBLIC NAME <i>Patricia Isaacs</i>	
COUNTY NAME <i>Maricopa</i>	
MONTH <i>March</i>	, 2013

(SEAL) 
MY COMMISSION EXPIRES

Patricia Isaacs

SIGNATURE OF NOTARY PUBLIC

9-6-15