

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-04106A
Cibola Mutual Water Company, Inc.
RR2, Box 77
Cibola, AZ 85328

RECEIVED

APR 17 2013

AZ CORP COMM
Director Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

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

FOR COMMISSION USE

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

4-23-13

COMPANY INFORMATION

Company Name (Business Name) <u>Cibola Mutual Water Company, Inc.</u>			
Mailing Address <u>RR2, Box 77 5948 Levee Rd.</u>			
(Street)			
<u>Cibola</u>	<u>AZ</u>	<u>85328</u>	
(City)	(State)	(Zip)	
<u>928-857-3506</u>	<u>928-857-1057</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>cibolamutualwater@hotmail.com</u>			
Local Office Mailing Address <u>Same as above</u>			
(Street)			
(City)	(State)	(Zip)	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>cibolamutualwater@hotmail.com</u>			

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>Dave Grundy</u> <u>General Manager</u>			
(Name) (Title)			
<u>RR2, Box 77 5948 Levee Rd.</u>			
(Street)			
<u>Cibola</u>	<u>AZ</u>	<u>85328</u>	
(City)	(State)	(Zip)	
<u>928-857-3506</u>	<u>928-857-1057</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Same</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
See Accountant's Compilation Report.			

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	223134		223134
302	Franchises			
303	Land and Land Rights	9045		9045
304	Structures and Improvements	395244	32041	363203
307	Wells and Springs	248000	20104	227896
311	Pumping Equipment	171000	48261	122739
320	Water Treatment Equipment	639961	51831	588130
330	Distribution Reservoirs and Standpipes	458000	24974	433026
331	Transmission and Distribution Mains	2004414	98625	1905789
333	Services	81515	6606	74909
334	Meters and Meter Installations	142633	27217	115416
335	Hydrants	260300	12808	247492
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	83433	12554	70879
340	Office Furniture and Equipment	10131	1601	8530
341	Transportation Equipment	18116	7682	10434
343	Tools, Shop and Garage Equipment	5449	654	4795
344	Laboratory Equipment	390000	89895	300105
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	5140375	434853	4705522

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



See Accountant's Compilation Report.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	223134		
302	Franchises			
303	Land and Land Rights	9045		
304	Structures and Improvements	395244	3.33%	12511
307	Wells and Springs	248000	3.33%	7850
311	Pumping Equipment	171000	12.50%	17534
320	Water Treatment Equipment	639961	3.33%	20259
330	Distribution Reservoirs and Standpipes	458000	2.22%	9831
331	Transmission and Distribution Mains	2004414	2.00%	38894
333	Services	81515	3.33%	2580
334	Meters and Meter Installations	142633	8.33%	10488
335	Hydrants	260300	2.00%	5051
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	83433	6.67%	5065
340	Office Furniture and Equipment	10131	6.67%	610
341	Transportation Equipment	18116	20.00%	2609
343	Tools, Shop and Garage Equipment	5449	5.00%	252
344	Laboratory Equipment	390000	10.00%	33345
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	5140375		166879

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403
 Less: Amortization of Contributions in Aid of Construction

(156871)
 \$ 10008

See Accountant's Compilation Report.

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4280	\$ 1077
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	10209	10926
7577	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 14489	\$ 12003
	FIXED ASSETS		
101	Utility Plant in Service	\$ 5139705	\$5140375
103	Property Held for Future Use		
105	Construction Work in Progress	179723	179723
108	Accumulated Depreciation – Utility Plant	(267974)	(434853)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 5051454	\$ 4885245
	TOTAL ASSETS	\$ 5065943	\$ 4897248

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

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 5396	\$ 12268
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	114493	124553
236	Accrued Taxes	1857	1501
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 121746	\$138322
	LONG-TERM DEBT (Over 12 Months)	\$ 340876	\$ 337265
224	Long-Term 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	4948642	4948642
272	Less: Amortization of Contributions	(237801)	(394672)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 4710841	\$4553970
	TOTAL LIABILITIES	\$ 5173463	\$5029557
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid in Capital in Excess of Par Value	\$ 5705	\$ 5705
215	Retained Earnings	(113225)	(138014)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$(107520)	\$(132309)
	TOTAL LIABILITIES AND CAPITAL	\$5065943	\$4897248

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 95176	\$ 102980
460	Unmetered Water Revenue		
474	Other Water Revenues	1083	1003
	TOTAL REVENUES	\$ 96259	\$ 103983
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 44217	\$ 43684
610	Purchased Water		
615	Purchased Power	11211	9895
618	Chemicals	1815	2343
620	Repairs and Maintenance	14596	9477
621	Office Supplies and Expense	7636	7371
630	Outside Services	49103	16838
635	Water Testing	4565	3120
641	Rents	500	500
650	Transportation Expenses	2319	1226
657	Insurance – General Liability	6649	4340
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	850	
403	Depreciation Expense	18227	10008
408	Taxes Other Than Income	5632	3921
408.11	Property Taxes	36	639
409	Income Tax	50	
	TOTAL OPERATING EXPENSES	\$ 167406	\$ 113362
	OPERATING INCOME/(LOSS)	\$(71147)	\$(9379)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(23148)	(15410)
	TOTAL OTHER INCOME/(EXPENSE)	\$(23148)	\$(15410)
	NET INCOME/(LOSS)	\$(94295)	\$(24789)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	7/17/09	7/17/09		
Source of Loan	USDA-RD	USDA-RD		
ACC Decision No.				
Reason for Loan	Build System	Build System		
Dollar Amount Issued	\$200,000	\$142,610		
Amount Outstanding	\$196,885	\$140,380		
Date of Maturity	7/17/2049	7/17/2049		
Interest Rate	4.5%	4.5%	%	%
Current Year Interest	\$8,911	\$6,354		
Current Year Principle	\$ 2,105	\$ 1,506		

Meter Deposit Balance at Test Year End	<u>\$ 124553</u>
Meter Deposits Refunded During the Test Year	<u>\$ -0-</u>

COMPANY NAME Cibola Mutual Water Company, Inc.

Name of System: Cibola Mutual Water Company, Inc. **ADEQ Public Water System Number:** 15123

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Surface--Colorado River		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2-10 HP	2	64	
1-100 HP	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1	1550	1
168,000	1		

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

COMPANY NAME Cibola Mutual Water Company, Inc.

Name of System: Cibola Mutual Water Company, Inc. **ADEQ Public Water System Number:** 15123

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8	C-900 CL 150 PVC	32220
10		
12	C-900 CL 150 PVC	19680
2		
3		
4		
6		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	158
1	6
1 1/2	
2	
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:

2-Intake Pumps 1.5 HP	1--100 HP Booster Pump
2-Ultra Filtration Units	2--10 HP Booster Pumps
Chlorinating System	1--Pressure Tank 1550 gal.
100,000 Reservoir	
168,000 Reservoir	
4,000 Compensating Tank	

STRUCTURES:

Office Building	
Electrical Building	
Chlorination Building	
Intake Platform	

OTHER:

Distribution Lines	
64 Fire Hydrants	
Generator	

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

COMPANY NAME: Cibola Mutual Water Company, Inc.

Name of System: Cibola Mutual Water Company, Inc.

ADEQ Public Water System Number: 15123

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	174	402890	622000	
FEBRUARY	172	313350	509000	
MARCH	172	364940	916000	
APRIL	172	558070	1219000	
MAY	169	526000	817000	
JUNE	168	770090	1082000	
JULY	168	708730	1474000	
AUGUST	168	629230	1084000	
SEPTEMBER	168	600580	1075000	
OCTOBER	168	538010	980000	
NOVEMBER	168	426500	613000	
DECEMBER	168	477260	758000	
TOTALS →		6315650	11149000	

NOTE: Well meters malfunctioned due to sediment build up.

What is the level of arsenic for each well on your system? No wells 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: _____

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

COMPANY NAME: Cibola Mutual Water Company, Inc.

Name of System: Cibola Mutual Water Company, Inc

ADEQ Public Water System Number: 15123

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	1	
FEBRUARY	0	2	
MARCH	0	0	
APRIL	0	0	
MAY	0	3	
JUNE	0	1	
JULY	0	0	
AUGUST	0	0	
SEPTEMBER	0	0	
OCTOBER	0	0	
NOVEMBER	0	0	
DECEMBER	0	0	
TOTALS →	0	7	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 638.73

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. _____

RECEIVED

VERIFICATION
AND
SWORN STATEMENT
Taxes

APR 17 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	La Paz
NAME (OWNER OR OFFICIAL) TITLE	Dave Grundy, Manager
COMPANY NAME	Cibola Mutual Water Company, Inc.

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.

Dave Grundy

 SIGNATURE OF OWNER OR OFFICIAL
 928-857-~~3785~~ 3506

 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 DAY OF

COUNTY NAME	Riverside	
MONTH	APRIL	2013

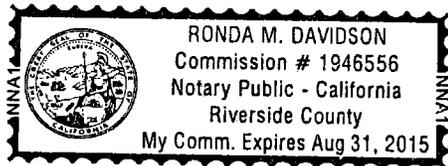
(SEAL)

Ronda M Davidson

 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 08/31/2015

See Accountant's Compilation Report.



INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported -0-
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported -0-
Estimated or Actual State Tax Liability _____

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.



SIGNATURE

4/12/13

DATE

Dave Grundy

PRINTED NAME

Manager

TITLE

RECEIVED

APR 17 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>La Paz</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Dave Grundy, Manager</u>
COMPANY NAME <u>Cibola Mutual 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>111686</u>
--

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 7703
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)

Dave Grundy
SIGNATURE OF OWNER OR OFFICIAL
928 857 3500
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 DAY OF

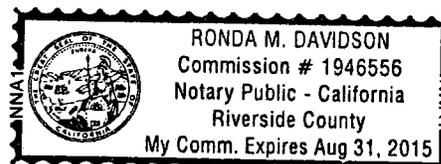
(SEAL)

COUNTY NAME <u>Riverside</u>
MONTH <u>APRIL</u> <u>2013</u>

Ronda M Davidson
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 08/31/2015

See Accountant's Compilation Report



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

RECEIVED

APR 17 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) La Paz	
NAME (OWNER OR OFFICIAL) Dave Grundy	TITLE Manager
COMPANY NAME Cibola Mutual Water Company, Inc.	

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>110579</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 7626 IN SALES TAXES BILLED, OR COLLECTED)

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

Dave Grundy
SIGNATURE OF OWNER OR OFFICIAL

928 857-3506
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 **DAY OF**

NOTARY PUBLIC NAME <u>RONDA M DAVIDSON</u>	
COUNTY NAME <u>Riverside</u>	
MONTH <u>APRIL</u>	20 <u>13</u>

(SEAL)

MY COMMISSION EXPIRES

08/31/2015 *Ronda M Davidson*
SIGNATURE OF NOTARY PUBLIC

See Accountant's Compilation Report.

