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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W - 01809 A
 Cayetano, Inc.
 dba Lakewood Water Company
 PO Box 14858
 Tucson, AZ 85732

RECEIVED
 APR 20 2015
 ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

ANN 04	13
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4-29-15

COMPANY INFORMATION

Company Name (Business Name) Cayetano, Inc dba Lakewood Water Co

Mailing Address PO Box 14858
(Street)
Tulsa AZ 85732
(City) (State) (Zip)

(520) 398-9815 (520) 838-8778
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address lisa @ smythindustries.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: Lisa Sullivan V.P.
(Name) (Title)

same as above
(Street) (City) (State) (Zip)

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

Email Address _____

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: Gary Smith
 (Name)

PO Box 14858 Tucson AZ 85732
 (Street) (City) (State) (Zip)

(520) 398-9815 _____
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Lawrence V. Robertson Jr
 (Name)

PO Box 1448 Tucson AZ 85606
 (Street) (City) (State) (Zip)

(520) 398-0411 (520) 398-0412 _____
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address tubaclawyer@aol.com

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input 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 type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input checked="" 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

Lakewood Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	8782	7911	871
302	Franchises	94	64	30
303	Land and Land Rights	64221	—	64221
304	Structures and Improvements	33784	19598	14186
307	Wells and Springs	17078	17078	0
311	Pumping Equipment	74714	71329	3385
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	30308	25276	5032
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	89209	88805	404
333	Services	12024	10548	1476
334	Meters and Meter Installations	30812	27983	2829
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1502	667	835
340	Office Furniture and Equipment	16635	16105	530
340.1	Computers & Software			
341	Transportation Equipment	1800	977	823
343	Tools, Shop and Garage Equipment	5062	4723	339
344	Laboratory Equipment			
345	Power Operated Equipment	2118	2071	47
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	388143	293135	95008

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

COMPANY NAME Lakewood Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	8782		108
302	Franchises	94		5
303	Land and Land Rights	64221		0
304	Structures and Improvements	33784		1706
307	Wells and Springs	17078		0
311	Pumping Equipment	74714		997
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	30308		328
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	89209		246
333	Services	12024		110
334	Meters and Meter Installations	30812		110
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1502		125
340	Office Furniture and Equipment	16635		475
340.1	Computers & Software			
341	Transportation Equipment	1800		0
343	Tools, Shop and Garage Equipment	5062		213
344	Laboratory Equipment			
345	Power Operated Equipment	2118		189
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	388143	1-10%	4612

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

COMPANY NAME

Lakewood Water Company

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 34371	\$ 53703
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	7598	5598
146	Notes/Receivables from Associated Companies	60955	64003
151	Plant Material and Supplies		
162	Prepayments	1206	
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 106130	\$ 123304
	FIXED ASSETS		
101	Utility Plant in Service	\$ 482260	\$ 391143
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(294254)	(293135)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 188006	\$ 98008
	TOTAL ASSETS	\$ 294136	\$ 221312

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

COMPANY NAME Lakewood Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
LIABILITIES			
CURRENT LIABILITES			
231	Accounts Payable	\$ 1392	\$ 50
232	Notes Payable (Current Portion)		40000
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	5503	5503
236	Accrued Taxes	499	387
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 7454	\$ 40100
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$	\$
DEFERRED CREDITS			
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	9123	9123
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	17702	17702
272	Less: Amortization of Contributions	(17308)	(18240)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 9577	\$ 8038
	TOTAL LIABILITIES	\$ 17031	\$ 54137
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 15790	\$ 15790
211	Paid in Capital in Excess of Par Value	182998	160477
215	Retained Earnings	78317	84308
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 271105	\$ 160575
	TOTAL LIABILITIES AND CAPITAL	\$ 294136	\$ 22312

COMPANY NAME

Lakewood Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 94978	\$ 93562
460	Unmetered Water Revenue		
474	Other Water Revenues	<14257	579
	TOTAL REVENUES	\$ 93553	\$ 94141
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	8674	7870
618	Chemicals		943
620	Repairs and Maintenance	2377	391
621	Office Supplies and Expense	6221	5299
630	Outside Services	63212	49435
635	Water Testing	1702	1069
641	Rents	1400	1530
650	Transportation Expenses	25	71
657	Insurance - General Liability	2357	2501
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		450
403	Depreciation Expense	9395	4612
408	Taxes Other Than Income	616	
408.11	Property Taxes	5350	6349
409	Income Tax	50	
	TOTAL OPERATING EXPENSES	\$ 101379	\$ 80623
	OPERATING INCOME/(LOSS)	\$ <78267	\$ 13521
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 957	\$ 3049
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		939
427	Interest Expense	<1367	<2427
	TOTAL OTHER INCOME/(EXPENSE)	\$ 821	\$ 3746
	NET INCOME/(LOSS)	\$ <70057	\$ 17267

COMPANY NAME	Lakewood Water Company		
Name of System:	ADEQ Public Water	System Number:	10-003

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-029430	25	175	257	10	3	1972
55-029431	25	250	254	14	3	1972

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20 Hp 750 gpm	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
50,000 gals	1	5000 gals	2

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

COMPANY NAME	Lakewood Water Company
Name of System:	ADEQ Public Water System Number: 10-163

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC, steel	6350
3		
4	AL, C900	9100
5		
6	PVC, AL, C900	3450
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	318
3/4	2
1	5
1 1/2	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:

Continuous chlorination

STRUCTURES:

N/A

OTHER:

N/A

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

COMPANY NAME: Lakewood Water Company
 Name of System: _____ ADEQ Public Water System Number: 10-163

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	301	1835	1848	
FEBRUARY	301	1229	1224	
MARCH	303	1167	1311	
APRIL	305	2356	2300	
MAY	302	4031	4075	
JUNE	306	3920	4152	
JULY	307	4294	4329	
AUGUST	303	2987	3088	
SEPTEMBER	303	2390	2550	
OCTOBER	305	3595	3739	
NOVEMBER	304	2396	2504	
DECEMBER	305	1836	1961	
TOTALS →		32036	33081	

What is the level of arsenic for each well on your system? <.0067 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:	<i>Lakewood Water Company</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		0	
FEBRUARY		1	
MARCH	/	1	
APRIL	/	1	
MAY	/	0	
JUNE	/	0	
JULY	/	0	
AUGUST	/	0	
SEPTEMBER	/	0	
OCTOBER	/	0	
NOVEMBER	/	2	
DECEMBER	/	4	
TOTALS →	0	9	

OTHER (description):

COMPANY NAME Lakewood Water Company YEAR ENDING 12/31/2013

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 6349.36

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

APR 20 2015

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Gary Smith</u>
COMPANY NAME	<u>Lakewood Water Co.</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	2013

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.

[Signature]

SIGNATURE OF OWNER OR OFFICIAL

(520) 398-9815

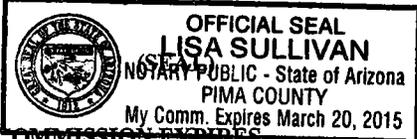
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 1st DAY OF

COUNTY NAME	<u>Pima</u>	
MONTH	<u>April</u>	<u>2014</u>



[Signature]

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

COMPANY NAME Lakewood Water Company YEAR ENDING 12/31/2013

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>14,870</u>
Estimated or Actual Federal Tax Liability	<u>2,231</u>
State Taxable Income Reported	<u>14,870</u>
Estimated or Actual State Tax Liability	<u>1142</u>

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

4/1/14 VAS
DATE

Lisa Sullivan
PRINTED NAME

V.P.
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 20 2015

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Pima</u>	ACC UTILITIES DIRECTOR
NAME (OWNER OR OFFICIAL) TITLE <u>Gary Smith</u>	
COMPANY NAME <u>Lakewood Water Co.</u>	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$ <u>99456</u>
--

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 6296 IN SALES TAXES BILLED, OR COLLECTED)

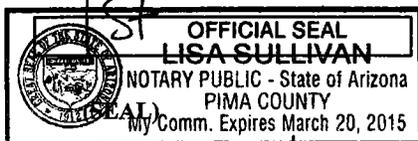
****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
(520) 398-9815
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	.20 <u>14</u>

MY COMMISSION EXPIRES

3/20/15

[Signature]
SIGNATURE OF NOTARY PUBLIC

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

RECEIVED
APR 20 2015
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) <u>Pima</u>	
NAME (OWNER OR OFFICIAL) <u>Gary Smith</u>	TITLE <u>Pres.</u>
COMPANY NAME <u>Lakewood Leasing Co.</u>	

I, THE UNDERSIGNED

OF THE

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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 2013 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>87915</u>
--

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 5576 IN SALES TAXES BILLED, OR COLLECTED)

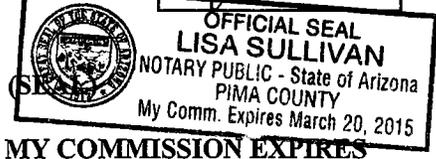
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
(520) 398-9815
TELEPHONE NUMBER

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

THIS 1st DAY OF

NOTARY PUBLIC NAME <u>Lisa Sullivan</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	20 <u>14</u>



MY COMMISSION EXPIRES

[Signature]
SIGNATURE OF NOTARY PUBLIC