

ANNUAL REPORT

Of

Company Name: Cerbat Water Company  
250 SW Taylor Street

Mailing Address: Portland OR  
97204

Docket No.: W-02391A  
For the Year Ended: 12/31/24

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: Original Filing  
Application Date: 4/13/2025

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

For the Calendar Year Ended: 12/31/24

Primary Address: 7313 E Concho  
City: Kingman State: Arizona Zip Code: 86401

Telephone Number: 928-757-2205

Date of Original Organization of Utility: 8/16/1977

Person to whom correspondence should be addressed concerning this report:

Name: Ed Fortner  
Telephone No. : 728-342-3344  
Address: 12486 S. Foothills Blvd  
City: Yuma State: Arizona Zip Code: 85367  
Email: efortner@foothillsutilities.com

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

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

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

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

Ownership: Limited Liability Company ("LLC")

Counties Served: Mohave

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Cerbat Water Company

<b>Important changes during the year</b>
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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.
	NA

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.
	NA

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	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	4,500	0	0	4,500	0	4,500
304	Structures and Improvements	28,375	60	0	28,435	909	27,526
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	94,071	0	0	94,071	3,015	91,056
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	68,584	0	0	68,584	12,965	55,619
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
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	135,220	0	0	135,220	2,889	132,331
330.1	Storage Tanks	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	552,551	35,347	0	587,898	10,644	577,254
333	Services	57,228	0	0	57,228	1,834	55,394
334	Meters and Meter Installations	49,206	38,275	28,023	59,458	2,359	57,099
335	Hydrants	14,400	0	0	14,400	277	14,123
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	0	0	0	0	0	0
340.1	Computer & Software	0	670	0	670	0	670
341	Transportation Equipment	3,900	58,451	3,900	58,451	9,993	48,458
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	25,028	0	25,028	1,205	23,823
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	2,300	0	0	2,300	0	2,300
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$1,010,335</b>	<b>\$157,831</b>	<b>\$31,923</b>	<b>\$1,136,243</b>	<b>\$46,090</b>	<b>\$1,090,153</b>

Cerbat Water Company  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/24

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	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	4,500	0	0	4,500	0	4,500	0.00%	0
304	Structures and Improvements	28,375	60	0	28,435	0	28,435	3.20%	909
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	94,071	0	0	94,071	0	94,071	3.21%	3,015
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	68,584	0	0	68,584	0	68,584	18.90%	12,965
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	135,220	0	0	135,220	0	135,220	2.14%	2,889
330.1	Storage Tanks	0	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	552,551	35,347	0	587,898	0	587,898	1.87%	10,644
333	Services	57,228	0	0	57,228	0	57,228	3.20%	1,834
334	Meters and Meter Installations	49,206	38,275	28,023	59,458	0	59,458	4.34%	2,359
335	Hydrants	14,400	0	0	14,400	0	14,400	1.92%	277
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	670	0	670	0	670	0.00%	0
341	Transportation Equipment	3,900	58,451	3,900	58,451	0	58,451	32.06%	9,994
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	25,028	0	25,028	0	25,028	9.62%	1,204
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	2,300	0	0	2,300	0	2,300	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	\$1,010,335	\$157,831	\$31,923	\$1,136,243	\$0	\$1,136,243		\$46,090

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$0</u>
Times: Proposed Amortization Rate	4.06%
<b>Amortization of CIAC</b>	\$0

Less: Amortization of CIAC \$0

**DEPRECIATION EXPENSE** **\$46,090**

Cerbat Water Company  
Annual Report  
Balance Sheet Assets  
12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$13,657	\$68,351
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		29,462	39,963
146	Notes Receivable from Associated Companies		0	4,238
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		25,019	14,304
	<b>Total Current and Accrued Assets</b>		<b>\$68,138</b>	<b>\$126,856</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$1,010,335	\$1,136,243
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	20,802
108	Accumulated Depreciation (enter as negative)*		(884,194)	(46,090)
121	Non-Utility Property		154,662	0
122	Accumulated Depreciation - Non Utility		(131,281)	0
	<b>Total Fixed Assets</b>		<b>\$149,522</b>	<b>\$1,110,955</b>
	<b>Total Assets</b>		<b>\$217,660</b>	<b>\$1,237,811</b>

\*Note these items feed automatically from AR3 UPIS Page 4

Cerbat Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable		\$16,778	\$21,577
232	Notes Payable (Current Portion)		0	6,000
234	Notes Payable to Associated Companies		37,578	126,164
235	Customer Deposits		5,492	9,837
236	Accrued Taxes		59,026	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		469,755	15,987
	<b>Total Current Liabilities</b>		<b>\$588,629</b>	<b>\$179,565</b>
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$201,006	\$108,092
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		347,404	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		196,718	0
272	Less: Amortization of Contributions		(196,718)	0
281	Accumulated Deferred Income Tax		0	12,174
	<b>Total Deferred Credits</b>		<b>\$347,404</b>	<b>\$12,174</b>
	<b>Total Liabilities</b>		<b>\$1,137,039</b>	<b>\$299,831</b>
	Capital Accounts			
201	Common Stock Issued		\$204,341	\$204,341
211	Other Paid-In Capital		0	733,639
215	Retained Earnings		(1,123,720)	0
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>(\$919,379)</b>	<b>\$937,980</b>
	<b>Total Liabilities and Capital</b>		<b>\$217,660</b>	<b>\$1,237,811</b>

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

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2024 - 12/31/2024	Last Year 01/01/2023 - 12/31/2023
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$255,966	\$250,394
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	222	0
474	Other Water Revenue	1,024	0
	<b>Total Revenues</b>	<b>\$257,212</b>	<b>\$250,394</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$78,719	\$64,236
604	Employee Pensions and Benefits	2,633	0
610	Purchased Water	0	0
615	Purchased Power	42,522	37,842
618	Chemicals	10	0
620	Materials and Supplies	4,407	2,172
620.1	Repairs and Maintenance	7,365	2,283
620.2	Office Supplies and Expense	5,153	6,019
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	5,138	2,450
633	Contractual Services - Legal	0	23,805
634	Contractual Services - Management Fees	0	38,159
635	Contractual Services - Water Testing	1,504	580
636	Contractual Services - Other	1,185	460
640	Rents	3,284	0
641	Rental of Building/Real Property	0	1,650
642	Rental of Equipment	20	0
650	Transportation Expenses	9,323	9,982
657	Insurance - General Liability	0	1,283
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	1,150
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	14,224	2,872
403	Depreciation Expense (From Schedule AR4)	46,090	11,615
408	Taxes Other Than Income	0	132
408.11	Property Taxes	5,664	1,491
409	Income Taxes	7,935	7,145
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$235,176</b>	<b>\$215,326</b>
	<b>Operating Income / (Loss)</b>	<b>\$22,036</b>	<b>\$35,068</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	(5,071)
427	Interest (Expense)	0	(10,712)
	<b>Total Other Income / (Expense)</b>	<b>\$0</b>	<b>(\$15,783)</b>
	<b>Net Income / (Loss)</b>	<b>\$22,036</b>	<b>\$19,285</b>



**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.2	0.0	0.2
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	2.0	0.0	0.0	2.0
Meter reader	1.0	0.0	0.0	1.0
Customer Service	0.0	1.0	0.0	1.0
Accounting	0.0	0.2	0.0	0.2
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Total</b>	3.0	1.4	0.0	4.4

Cerbat Water Company  
Annual Report  
Supplemental Financial Data (Long-Term Debt)  
12/31/24

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	NA	NA	NA	NA
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	NA	NA	NA	NA
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$9,837
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Meter Deposits Refunded During the Test Year:	\$0
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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.**

### Well and Water Usage

[illegible]

Name of system water delivered to:		
ADWR PCC Number:		
Source of water delivered to another system		

Name of system water received from:	
ADWR PCC Number:	
Source of water received	
Well registry 55# (55-XXXXXX):	

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	1,877,706.00	1,370,174.00					
February	1,575,372.00	1,570,460.00					
March	1,465,460.00	1,470,548.00					
April	1,869,900.00	1,864,900.00					
May	2,153,826.00	2,202,701.00					
June	2,510,240.00	2,529,769.00					
July	3,139,580.00	3,160,137.00					
August	2,658,723.00	2,653,914.00					
September	2,623,271.00	2,618,271.00					
October	3,506,911.00	3,585,884.00					
November	1,727,051.00	1,721,931.00					
December	1,748,595.00	1,743,583.00					
<b>Totals</b>	<b>26,856,635.00</b>	<b>26,492,272.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>	<b>0</b>

**If applicable, in the space below please provide a description for all un-metered water use along with amounts:**

[illegible]

- |   |   |
|---|---|
| 1 | Water withdrawn - Total gallons of water withdrawn from pumped sources.   |
| 2 | Water sold - Total gallons from customer meters, and other sales such as construction water.  |
| 3 | Water delivered (sold) to other systems - Total gallons of water delivered to other systems.  |
| 4 | Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.   |
| 5 | Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft. |
| 6 | Enter the total purchased power costs for the power meters associated with this system.   |
| 7 | Enter the total purchased kWh used by the power meters associated with this system.   |

## Water Utility Plant Description

Name of the System:	CERBAT WATER CO		
ADEQ Public Water System Number:	AZ0408341		
ADWR PCC Number:	91-000358.0000		

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**MAINS**

[illegible]

## CUSTOMER METERS

[illegible]

## SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed
HDPE	50%	1994
PVC	50%	1982

## BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
20	150	2

## FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	10
Other	

## STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
500,000	Steel	1	
100,000	Steel	1	

## PRESSURE/BLADDER TANKS

[illegible]

\* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

<b>Water Utility Plant Description (Continued)</b>
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For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	
<b>STRUCTURES:</b>	1 Wellsite, 2 Storage Tanks, 1 Booster site
<b>OTHER:</b>	1 Work Truck

Customer and Other Information		
Name of the System:	CERBAT WATER CO	
ADEQ Public Water System Number:	AZ0408341	
ADWR PCC Number:	91-000358.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	367	0	0	0	0
February	366	0	0	0	0
March	366	0	0	0	0
April	367	0	0	0	0
May	367	0	0	0	0
June	368	0	0	0	0
July	373	0	0	0	0
August	373	0	0	0	0
September	372	0	0	0	0
October	372	0	0	0	0
November	372	0	0	0	0
December	372	0	0	0	0

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

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

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

We plan on installing a automation and SCADA system for 2025

Cerbat Water Company  
Annual Report  
Utility Shutoffs / Disconnects  
12/31/24

Utility Shutoffs / Disconnects	
Name of the System:	CERBAT WATER CO
ADEQ Public Water System Number:	AZ0408341
ADWR PCC Number:	91-000358.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	0	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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Other (description):**

**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	
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Amount of actual property taxes paid during Calendar Year 2024 was
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\$29,195
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If no property taxes paid, explain why.
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NA
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<b>Instructions:</b> 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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**Verification and Certification (Taxes)**

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

County of (county name): Mohave  
Name (owner or official) title: Ed Fortner, Regional Manager  
Company name: Cerbat Water Company (now Foothills Water Kingman West)

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

FOR THE YEAR ENDING: 12/31/24

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.

**Certification:** I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I CERTIFY THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

*Ed Fortner*

signature of owner/official

928-342-3344

telephone no.