

**ANNUAL REPORT**

Of

Company Name: Vail Water Company

1010 N. Finance Center Dr., Ste 200

Mailing Address:

Tucson                      AZ  
85710

Docket No.: W-01651B

For the Year Ended: 12/31/18

RECEIVED  
UTILITIES DIVISION  
2019 MAR 19 A 8:05  
ARIZONA CORPORATION  
COMMISSION

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdelafuente@azcc.gov](mailto: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: 3/19/2019

4-10-19

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Vail Water Company  
A Class  A  B Utility

1. For the Calendar Year Ended: 12/31/18

2. Address: 

1010 N. Finance Center Dr., Ste 200			
City:	Tucson	State:	Arizona
		Zip Code:	85710

3. Telephone Number: 520-571-1958

4. Date of Original Organization of Utility: 6/10/1959

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

Name: Christopher Volpe  
Telephone No. : 520-571-1958  
Address: 

1010 N. Finance Center Dr., Ste 200			
City:	Tucson	State:	Arizona
		Zip Code:	85710

  
Email: kvolpe@estesco.net

6. On-Site Manager:

Name: Manny Oros  
Telephone No. : 520-647-3679  
Address: 

1010 N. Finance Center Dr., Ste 200			
City:	Tucson	State:	Arizona
		Zip Code:	85710

  
Email: operator@vailwater.com

7. Ownership: "S" Corporation

8. Counties Served: Pima

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	17,750	0	0	17,750	0	17,750
304	Structures and Improvements	398,006	0	0	398,006	194,311	203,695
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	1,033,410	0	0	1,033,410	563,926	469,484
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	1,009,336	0	0	1,009,336	297,452	711,884
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	2,227,247	3,272	0	2,230,519	1,013,061	1,217,458
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	0	0	0	0	0	0
330.1	Storage Tanks	1,584,151	0	0	1,584,151	514,333	1,069,818
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	16,590,449	1,221,041	0	17,811,490	4,512,254	13,299,236
333	Services	23,579	0	0	23,579	17,462	6,117
334	Meters and Meter Installations	1,137,194	120,139	28,804	1,228,529	441,347	787,182
335	Hydrants	677,879	65,173	0	743,052	197,160	545,892
336	Backflow Prevention Devices	9,442	0	0	9,442	9,407	35
339	Other Plant and Misc. Equipment	6,553	0	0	6,553	4,533	2,020
340	Office Furniture and Equipment	36,633	2,060	0	38,693	22,427	16,266
340.1	Computer & Software	19,454	15,100	0	34,554	17,165	17,389
341	Transportation Equipment	112,247	0	0	112,247	90,480	21,767
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	15,645	0	0	15,645	13,169	2,477
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	47,564	0	0	47,564	3,567	43,997
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	9,656	0	0	9,656	9,576	80
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$24,956,195</b>	<b>\$1,426,785</b>	<b>\$28,804</b>	<b>\$26,354,176</b>	<b>\$7,921,630</b>	<b>\$18,432,546</b>

**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.

Vail Water Company  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/18

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	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	17,750	0	0	17,750	0	0.00%	0
304	Structures and Improvements	398,006	0	0	398,006	3,243	3.33%	13,146
305	Collecting & Improving Reservoirs	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	2.50%	0
307	Wells and Springs	1,033,410	0	0	1,033,410	28,383	3.33%	33,467
308	Infiltration Galleries	0	0	0	0	0	6.67%	0
309	Supply Mains	1,009,336	0	0	1,009,336	0	2.00%	20,187
310	Power Generation Equipment	0	0	0	0	0	5.00%	0
311	Pumping Equipment	2,227,247	3,272	0	2,230,519	1,449,612	12.50%	97,409
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	10.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	1,584,151	0	0	1,584,151	0	2.22%	35,168
330.2	Pressure Tanks	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	16,590,449	1,221,041	0	17,811,490	0	2.00%	344,019
333	Services	23,579	0	0	23,579	12,451	3.33%	371
334	Meters and Meter Installations	1,137,194	120,139	28,804	1,228,529	537,436	8.33%	53,764
335	Hydrants	677,879	65,173	0	743,052	0	2.00%	14,209
336	Backflow Prevention Devices	9,442	0	0	9,442	0	6.67%	630
339	Other Plant and Misc. Equipment	6,553	0	0	6,553	6,554	6.67%	(0)
340	Office Furniture and Equipment	36,633	2,060	0	38,693	8,887	6.67%	1,919
340.1	Computer & Software	19,454	15,100	0	34,554	12,304	20.00%	2,940
341	Transportation Equipment	112,247	0	0	112,247	45,219	20.00%	13,406
342	Stores Equipment	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	15,645	0	0	15,645	0	5.00%	782
344	Laboratory Equipment	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	47,564	0	0	47,564	0	5.00%	2,378
346	Communication Equipment	0	0	0	0	0	10.00%	0
347	Miscellaneous Equipment	9,656	0	0	9,656	0	10.00%	966
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	<b>\$24,956,195</b>	<b>\$1,426,785</b>	<b>\$28,804</b>	<b>\$26,354,176</b>	<b>\$2,104,089</b>		<b>\$634,761</b>

Contribution(s) in Aid of Construction (Gross)	\$18,191,925
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	1,765,032
Amortizable Contribution(s)	<b>\$16,426,893</b>
Times: Proposed Amortization Rate	2.62%
Amortization of CIAC	\$429,984
Less: Amortization of CIAC	\$429,984
<b>DEPRECIATION EXPENSE</b>	<b>\$204,777</b>

**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.

Vail Water Company  
 Annual Report  
 Balance Sheet Assets  
 12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$994,187	\$546,452
134	Working Funds		0	0
135	Temporary Cash Investments		3,084,058	3,984,117
141	Customer Accounts Receivable		275,811	340,446
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,529,008	1,616,517
174	Miscellaneous Current and Accrued Assets		62,420	62,420
	<b>Total Current and Accrued Assets</b>		<b>\$5,945,484</b>	<b>\$6,549,952</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$24,956,195	\$26,354,176
103	Property Held for Future Use		0	0
105	Construction Work in Progress		26,455	26,455
108	Accumulated Depreciation (enter as negative)*		(7,318,303)	(7,921,630)
121	Non-Utility Property		138,116	138,116
122	Accumulated Depreciation - Non Utility		(118,910)	(134,616)
	<b>Total Fixed Assets</b>		<b>\$17,683,553</b>	<b>\$18,462,501</b>
	<b>Total Assets</b>		<b>\$23,629,037</b>	<b>\$25,012,453</b>

**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

Vail Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		<b>Balance at Beginning of Year (2018)</b>	<b>Balance at End of Year (2018)</b>
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$85,876	\$144,977
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		298,397	369,629
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	<b>Total Current Liabilities</b>		<b>\$384,273</b>	<b>\$514,606</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		6,574,162	7,436,453
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		10,755,472	11,253,985
272	Less: Amortization of Contributions		(1,765,032)	(2,194,116)
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$15,564,602</b>	<b>\$16,496,322</b>
	<b>Total Liabilities</b>		<b>\$15,948,875</b>	<b>\$17,010,928</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$638,099	\$638,099
211	Other Paid-In Capital		2,445,314	2,445,314
215	Retained Earnings		4,596,749	4,918,112
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$7,680,162</b>	<b>\$8,001,525</b>
	<b>Total Liabilities and Capital</b>		<b>\$23,629,037</b>	<b>\$25,012,453</b>

**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 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$2,437,448	\$2,467,968
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	1,078,242	1,092,699
	<b>Total Revenues</b>	<b>\$3,515,690</b>	<b>\$3,560,667</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$327,837	\$310,141
604	Employee Pensions and Benefits	0	0
610	Purchased Water	876,926	704,012
615	Purchased Power	94,271	115,496
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	251,794	66,925
620.2	Office Supplies and Expense	70,753	72,179
630	Contractual Services	0	0
631	Contractual Services -Engineering	17,330	4,317
632	Contractual Services - Accounting	15,179	15,560
633	Contractual Services - Legal	560	1,562
634	Contractual Services - Management Fees	159,476	152,531
635	Contractual Services - Water Testing	9,803	19,858
636	Contractual Services - Other	42,777	17,512
640	Rents	8,322	7,121
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	22,444	16,746
657	Insurance - General Liability	46,984	45,920
657.1	Insurance - Health and Life	2,274	7,539
665	Regulatory Commission Expense - Rate	11,317	13,144
670	Bad Debt Expense	23,856	5,569
675	Miscellaneous Expense	320,420	288,041
403	Depreciation Expense (From Schedule AR4)	204,777	335,240
408	Taxes Other Than Income	0	0
408.11	Property Taxes	159,983	77,319
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	1,098	9,203
	<b>Total Operating Expenses</b>	<b>\$2,668,181</b>	<b>\$2,285,935</b>
	<b>Operating Income / (Loss)</b>	<b>\$847,509</b>	<b>\$1,274,732</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$60,921	\$35,456
421	Non-Utility Income	62,933	84,257
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	<b>Total Other Income / (Expense)</b>	<b>\$123,854</b>	<b>\$119,713</b>
	<b>Net Income / (Loss)</b>	<b>\$971,363</b>	<b>\$1,394,445</b>

**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.

**Full time equivalent employees**

	Direct Company	Outside service	Total
President	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0
Manager	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0
System Operator(s)	1.0	0.0	1.0
Meter reader	3.0	0.0	3.0
Customer Service	1.0	0.0	1.0
Accounting	0.0	0.0	0.0
Business Office	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0
Administrative Staff	1.0	0.0	1.0
Other	0.0	0.0	0.0
<b>Total</b>	6.0	0.0	6.0

**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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.



Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	\$369,629
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Meter Deposits Refunded During the Test Year:	\$42,834
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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.*



Water Utility Plant Description		
Name of the System:	Vail Water Company	
ADEQ Public Water System Number:	AZ0410041	
ADWR PCC Number:	91-000417.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Galvanized	8,456
3.00	0	0
4.00	PVC/Asbestos	47,624
5.00	0	0
6.00	PVC/Asbestos	163,370
8.00	PVC/Asbestos	189,798
10.00	PVC/Asbestos	16,609
12.00	PVC/Asbestos	115,017
16.00	PVC/Asbestos	9,743
0.00	0	0
0.00	0	0
0.00	0	0
0.00	0	0
0.00	0	0

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4"	4,665
3/4"	191
3"	8
2"	42
1"	32
1 1/2"	23
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0

SERVICE LINES	
Material	Percent of system
Copper	100%
0	0%
0	0%
0	0%
0	0%

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	0	3
20	0	6
25	0	4
30	0	7
50	0	2

FIRE HYDRANTS	
Type	Quantity
Standard *	493
Other	0

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
100,000	Steel	1
290,000	Steel	1
500,000	Steel	2
550,000	Steel	1
600,000	Steel	1
0	0	0

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
5,000	Steel	13
0	0	0
0	0	0
0	0	0
0	0	0
0	0	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. Copy and paste this sheet as many times as is necessary.

\* 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.

**Water Utility Plant Description (Continued)**

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

<b>TREATMENT EQUIPMENT:</b>	100% CAP water received directly from City of Tucson already chlorinated. 1.02% residual of calcium hypochloride.
<b>STRUCTURES:</b>	Administrative office 57x35 steel building
<b>OTHER:</b>	None

**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.

Customer and Other Information	
Name of the System:	Vail Water Company
ADEQ Public Water System Number:	AZ0410041
ADWR PCC Number:	91-000417.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	4,591	0	56	49	53
February	4,596	0	59	52	54
March	4,625	0	59	53	57
April	4,644	0	59	55	56
May	4,675	0	60	56	54
June	4,704	0	59	56	52
July	4,728	0	59	57	49
August	4,734	0	60	58	50
September	4,756	0	59	57	51
October	4,779	0	59	58	52
November	4,787	0	59	58	51
December	4,794	0	59	58	50

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 (GCPCPD) requirement?

If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?

If yes, which AMA?

**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.

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2018 was

\$158,062

If no property taxes paid, explain why.

N/A

**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): Pima  
Name (owner or official) title: Christopher T. Volpe  
Company name: Vail Water Company

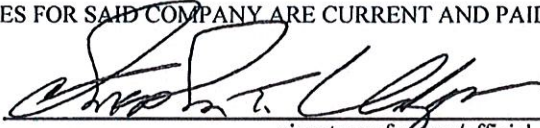
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/18

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 of owner/official

520-571-1958, extension 7105  
telephone no.

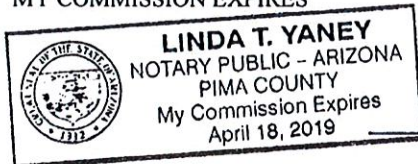
RECEIVED  
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2019 MAR 19 A 8:05  
ARIZONA CORPORATION  
COMMISSION

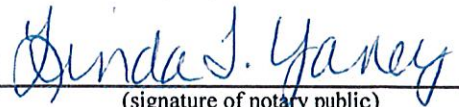
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

THIS 11th DAY OF Pima  
(county name)  
March 2019  
(month) and (year)

MY COMMISSION EXPIRES

4-18-19  
(date)



  
(signature of notary public)



Revised

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Pima  
Name (owner or official) title: Christopher T. Volpe  
Company name: Vail Water Company

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

FOR THE YEAR ENDING: 12/31/18

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.

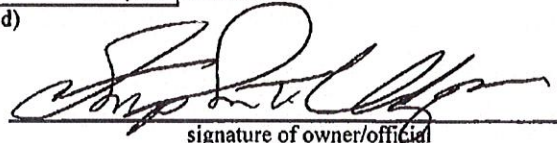
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

3,773,920.00

(The amount in the box above includes

\$209,272 in sales taxes  
billed or collected)

  
signature of owner/official

520-571-1958, extension 7105  
telephone no.

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

THIS 11th

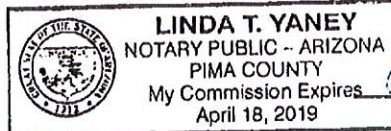
DAY OF

(county name)

March 2019  
(month) and (year)

MY COMMISSION EXPIRES

4-18-19  
(date)



  
(signature of notary public)

2019 MAR 19 A 0 5  
ARIZONA  
UTILITY

Revised

**Verification and Sworn Statement (Residential Revenue)**

**Verification:**

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

County of (county name): Pima  
Name (owner or official) title: Christopher T. Volpe  
Company name: Vail Water Company

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

FOR THE YEAR ENDING: 12/31/18

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.

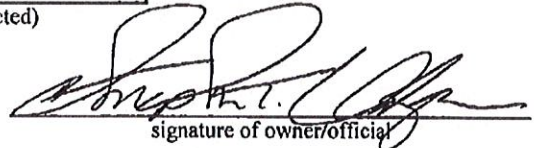
**Sworn Statement:** IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

3,773,920.00

(The amount in the box above includes

\$171,592 in sales taxes  
billed or collected)

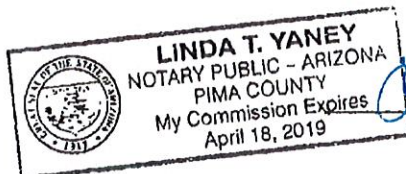
  
signature of owner/official

520-571-1958, extension 7105  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY Pima  
(county name)

THIS 11th DAY OF March 2019  
(month) and (year)

MY COMMISSION EXPIRES 4-18-19  
(date)



  
(signature of notary public)





DISPOSITIONS:									
DATE ACQ	ACCOUN	ASSET#	AMOUNT	%				COST	A/D
7/1/1993	334	526	150.00	8.33%	12	12/31/2018	25.52	\$ 28,804	150
6/17/1997	334	50	200.00	8.33%	12	12/31/2018	21.55		200
7/1/2001	334	186	815.00	8.33%	12	12/31/2018	17.51		815
3/28/2002	334	249	4,400.00	8.33%	12	12/31/2018	16.77		4400
1/10/2003	334	292	1,470.00	8.33%	12	12/31/2018	15.98		1470
7/31/2003	334	296	2,800.00	8.33%	12	12/31/2018	15.43		2800
6/30/2004	334	343	4,200.00	8.33%	12	12/31/2018	14.51		4200
1/14/2005	334	397	6,300.00	8.33%	12	12/31/2018	13.97		6300
1/26/2006	334	453	1,050.00	8.33%	12	12/31/2018	12.94		1050
2/8/2007	334	499	3,550.00	8.33%	12	12/31/2018	11.90		3519
2/20/2008	334	549	600.00	8.33%	12	12/31/2018	10.87		543
10/6/2009	334	608	300.00	8.33%	12	12/31/2018	9.24		231
6/30/2011	334	634	300.00	8.33%	12	12/31/2018	7.51		188
5/8/2012	334	669	338.00	8.33%	12	12/31/2018	6.65		187
4/25/2014	334	931	286.00	8.33%	12	12/31/2018	4.69		112
4/25/2014	334	932	357.00	8.33%	12	12/31/2018	4.69		139
6/2/2014	334	933	356.00	8.33%	12	12/31/2018	4.58		136
4/22/2016	334	1360	206.00	8.33%	12	12/31/2018	2.69		46
1/4/2018	334	1816	366.00	8.33%	12	12/31/2018			0
5/7/2018	334	1895	301.00	8.33%	12	12/31/2018			0
5/7/2018	334	1896	301.00	8.33%	12	12/31/2018			0
8/21/2018	334	1980	158.00	8.33%	12	12/31/2018			0
	341			20%				0.00	

**USE ACC YEARS!!! FULLY DEPRECIATED:**

ACC YRS	ACCT	ASSET#				TOTAL
30	304	305	\$ 3,243	33		\$ 3,243
30	307	316	\$ -	33		\$ 28,383
		433	\$ 28,383	33		
8	311	4	\$ 1,223	27.77778	228	\$ 1,934
	311-002	6	\$ 2,000	27.77778	265	\$ 307,221
	311-002	17	\$ 16,120	27.77778	276	\$ 1,830
	311-002	18	\$ 2,092	27.77778	277	\$ 215,045
	311-002	19	\$ 2,604	27.77778	278	\$ 10,254
	311-002	20	\$ 3,267	27.77778	279	\$ 12,846
	311	57	\$ 1,078	8	280	\$ 37,006
	311	58	\$ 96,920	8	319	\$ 2,860
	311	59	\$ 41,413	8	320	\$ 9,571
	311	60	\$ 1,762	8	321	\$ 1,685
	311	61	\$ 3,908	8	372	\$ 3,426
	311	62	\$ 14,363	8	373	\$ 360,673
	311	103	\$ 1,032	8	374	\$ 4,967

311	<b>104</b>	\$ 1,529	8	<b>375</b>	\$ 16,021	8
311	<b>105</b>	\$ 485	8	<b>479</b>	\$ 4,500	8
311	<b>106</b>	\$ 14,578	8	<b>480</b>	\$ 696	8
311-002	<b>107</b>	\$ 1,525	8	<b>481</b>	\$ 238,874	8
311-002	<b>108</b>	\$ 1,825	8	<b>606</b>	\$ 546	8
311	<b>153</b>	\$ 11,820	8			
311-002	<b>210</b>	\$ 113	8			

45	330.2	366	45.04505			\$ -
50	331	7 NO	50			0
		25 NO	50			
		26 NO	50			
		441 NO	50			
30	333	443	12451	33		12451

12	334	<b>196</b>	20470	12	<b>411</b>	25500	12	\$ <b>504,065</b>
		<b>249</b>	68548	12	<b>412</b>	25500	12	
		<b>296</b>	6575	12	<b>413</b>	15000	12	
		<b>297</b>	5048	12	<b>414</b>	10500	12	
		<b>299</b>	5076	12	<b>415</b>	15000	12	
		<b>300</b>	6284	12	<b>416</b>	15000	12	
		<b>343</b>	11226	12	<b>417</b>	10500	12	
		<b>344</b>	30043	12	<b>418</b>	15000	12	
		<b>345</b>	32685	12				
		<b>348</b>	37219	12				
		<b>349</b>	28265	12				
		<b>388</b>	9775	12				
		<b>392</b>	8830	12	<b>520</b>	1000	12	
		<b>394</b>	15300	12	<b>521</b>	1000	12	
		<b>396</b>	4546	12	<b>522</b>	150	12	
		<b>400</b>	15300	12	<b>523</b>	600	12	
		<b>401</b>	10080	12	<b>524</b>	1050	12	
		<b>403</b>	10500	12	<b>525</b>	1050	12	
		<b>404</b>	4141	12	<b>526</b>	750	12	
		<b>405</b>	853	12	<b>588</b>	5701	12	
		<b>406</b>	10500	12				
		<b>407</b>	4500	12				
		<b>408</b>	15000	12				
12	334-002	50	2749	12	351	4320		\$ <b>33,371</b>
				12	421	1026		
		187	808	12				
		188	3521	12				
		189	5571	12				
		190	4635	12				
		201	1270	12				
		202	350	12				
		203	413	12				
		204	1895	12				
		205	236	12				

		207	4373	12		
		257	1150	12		
		260	303	12		
		261	713	12		
		302	38	12		

50	335				none	\$	-
15	336			15	none	\$	-
15	339	all	6554			\$	6,554

15	340	138	118			\$	8,887
		159	129				
		160	481				
		161	1716				
		208	724				
		262	1800				
		263	3919				

5	340.1	30	2950			\$	12,304
		150	6229				
		308	1625				
		467	1500				

5	341	591	11000			\$	45,219
		659	34219				
20	343				none	\$	-
20	345					\$	-
10	347					\$	-

\$ 2,104,089

\$ 26,487

2018	Account No.	TOTAL	
1987	301	0	Organization
	302	0	Franchises
1987	303	0	Land and Land Rights
	304	\$ 3,243	Structures and Improvements
	305	0	Collecting & Improving Reservoirs
2009	306	0	Lake, River, Canal Intakes
	307	\$ 28,383	Wells and Springs
	308	0	Infiltration Galleries
	309	0	Supply Mains
	310	0	Power Generation Equipment
	311	\$ 1,449,612	Pumping Equipment
	320	0	Water Treatment Equipment
	320.1	0	Water Treatment Plants
	320.2	0	Solution Chemical Feeders
	320.3	0	Point-of-Use Treatment Devices
	330	0	Distribution Reservoirs and Standpipes
	330.1	0	Storage Tanks
	330.2	\$ -	Pressure Tanks



	331	0	Transmission and Distribution Mains
	333	12451	Services
	334	\$ 537,436	Meters and Meter Installations
	335	0	Hydrants
	336	0	Backflow Prevention Devices
	339	6554	Other Plant and Misc. Equipment
	340	\$ 8,887	Office Furniture and Equipment
	340.1	\$ 12,304	Computer & Software
	341	\$ 45,219	Transportation Equipment
1972	342	0	Stores Equipment
	343	\$ -	Tools, Shop and Garage Equipment
1967	344	0	Laboratory Equipment
	345	\$ -	Power Operated Equipment
	346	0	Communication Equipment
	347	0	Miscellaneous Equipment
	348	0	Other Tangible Plant
1987		2104089	
2005			

2005

1967

2002

2002

2002

2012

2012

1997

1997

2007

Company	Vail Water Company		
Docket No.:	W-01651B		
Name of the System:			
ADEQ Public Water System Number:			10041
ADWR PCC Number:			

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January		48	
February		47	
March		6	
April		17	
May		63	
June		38	
July		34	
August		50	
September		27	
October		54	
November		46	
December		39	
<b>Total</b>	<b>0</b>	<b>469</b>	<b>0</b>

Other (description):

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**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.