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OCT 23 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

ANNUAL REPORT

Of

Company Name:

Sibola Mutual Water Company, Inc

Mailing Address:

Docket No.:

For the Year Ended:

12/31/16

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefuente@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:

2016

10-23-17

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT

0

A Class Utility

1. For the Calendar Year Ended: 12/31/16

2. Address: RR 2 Box 77
City: Cibola State: AZ Zip Code: 85328

3. Telephone Number: 928 857 3506

4. Date of Original Organization of Utility:

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

Name: Kathi Frice
Telephone No.: 928 857 3506
Address: 5948 Levee Rd
City: Cibola State: AZ Zip Code: 85328
Email: cibolamutualwater@hotmail.com

6. On-Site Manager:

Name: Kathi Frice
Telephone No.: 928 857 3506
Address: 5948 Levee Rd
City: Cibola State: AZ Zip Code: 85328
Email: cibolamutualwater@hotmail.com

7. Ownership: non-profit

8. Counties Served: LA PAZ

Annual Report

Utility Plant in Service (Water)

12/31/16

Utility Plant in Service (Water)				
Account No.	Description	Original Cost	Accumulated Depreciation	OC/LD (OC less AD)
301	Organization	223134	0	223134
302	Franchises			
303	Land and Land Rights	9045		9045
304	Structures and Improvements	574967	109269	465698
305	Collecting & Improving Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs	248000	53540	194460
308	Infiltration Galleries			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	136000	115727	20273
320	Water Treatment Equipment			
320.1	Water Treatment Plants	588261	129506	458755
320.2	Solution Chemical Feeders	51700	51700	0
320.3	Point-of-Use Treatment Devices			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	35000	19024	15976
330.2	Pressure Tanks	458000	114500	343500
331	Transmission and Distribution Mains	2004414	260172	1744242
333	Services	81515	17596	63919
334	Meters and Meter Installations	142633	76134	66499
335	Hydrants	260300	33787	226513
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	83433	35314	48119
340	Office Furniture and Equipment	10131	4371	5760
340.1	Computer & Software			
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	5449	1763	3687
344	Laboratory Equipment	390000	251550	138450
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	Totals	5301982	1,273,953	4,028,029

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.

Annual Report

Depreciation Expense for the Current Year (Water)

12/31/16

Depreciation Expense for the Current Year (Water)								
Account No.	Description	Original Cost	Current Year Additions	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	223134						
302	Franchises							
303	Land and Land Rights	9045						
304	Structures and Improvements	574967					3.33	19146
305	Collecting & Improving Reservoirs							
306	Lake, River, Canal Intakes							
307	Wells and Springs	248000					3.33	8258
308	Infiltration Galleries							
309	Supply Mains							
310	Power Generation Equipment							
311	Pumping Equipment	136000					12.5	17000
320	Water Treatment Equipment							
320.1	Water Treatment Plants	588261					3.33	19589
320.2	Solution Chemical Feeders	51700			51700			
320.3	Point-of-Use Treatment Devices							
330	Distribution Reservoirs and Standpipes							
330.1	Storage Tanks	35000					2.22	777
330.2	Pressure Tanks	458000					5.00	22900
331	Transmission and Distribution Mains	2004414					2.00	40088
333	Services	81515					3.33	2714
334	Meters and Meter Installations	142633					8.33	11881
335	Hydrants	260300					2.00	5206
336	Backflow Prevention Devices							
339	Other Plant and Misc. Equipment	83433					6.67	5565
340	Office Furniture and Equipment	10131					6.67	676
340.1	Computer & Software							
341	Transportation Equipment							
342	Stores Equipment							
343	Tools, Shop and Garage Equipment	5449					5.00	272
344	Laboratory Equipment	390000					10.00	39000
345	Power Operated Equipment							
346	Communication Equipment							
347	Miscellaneous Equipment							
348	Other Tangible Plant							
	Subtotal	5,301,982						193072

Contribution(s) in Aid of Construction (Gross)

Less: Non Amortizable Contribution(s)

Fully Amortized Contribution(s)

Amortizable Contribution(s)

Times: Proposed Amortization Rate

Amortization of CIAC

\$0

Less: Amortization of CIAC 171826

DEPRECIATION EXPENSE 21246

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.

0

Annual Report
 Balance Sheet Assets
 12/31/16

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current and Accrued Assets			
131	Cash		24713	13012
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		12674	51335
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		38806	64347
Account No.	Fixed Assets			
101	Utility Plant in Service*		5301982	5301982
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(1070540)	(1273953)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		4231442	4028029
	Total Assets		4270248	4092376

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

Annual Report

Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current Liabilities			
231	Accounts Payable		7793	16113
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		126617	145130
236	Accrued Taxes		1605	1007
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		136015	162250
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		332164	332164
	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	
272	Less: Amortization of Contributions		(963288)	
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		3985354	3728830
	Total Liabilities		4453535	4222237
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital		5705	5705
215	Retained Earnings		(188990)	(135566)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(183285)	(129861)
	Total Liabilities and Capital		4270248	4092376

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!

Annual Report
 Water Comparative Income Statement
 12/31/16

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2016 - 12/31/2016	Last Year 01/01/2015 - 12/31/2015
	Operating Revenue		
461	Metered Water Revenue	21589	124432
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	5000	335
	Total Revenues	220890	124767
	Operating Expenses		
601	Salaries and Wages	48624	44658
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	8578	9323
618	Chemicals	1698	1156
620	Materials and Supplies	13210	
620.1	Repairs and Maintenance		7797
620.2	Office Supplies and Expense	3822	7285
630	Contractual Services	940	843
631	Contractual Services -Engineering		
632	Contractual Services - Accounting	1293	
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	2981	2730
636	Contractual Services - Other	6129	
635	Water Testing		
640	Rents	475	500
641	Rental of Building/ Real Property		
642	Rental of Equipment		
650	Transportation Expenses	6571	922
637	Insurance - General Liability	5843	4887
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
675	Miscellaneous Expense INT & Penalty	24602	4813
403	Depreciation Expense (From Schedule AR4)	21246	23342
408	Taxes Other Than Income	5145	4500
408.11	Property Taxes	5210	3262
409	Income Taxes		
	Total Operating Expenses	156367	116018
	Operating Income / (Loss)		8749
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		15280
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)	(11097)	(7090)
	Total Other Income / (Expense)		8190
	Net Income / (Loss)	53426	16939

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.

Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/16

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	BLD SYSTEM	BUD SYSTEM		
Dollar Amt. Issued	200,500	142,610		
Amount Outstanding	193,912	138,252		
Date of Maturity	7/17/49	7/17/49		
Interest Rate	4.5	4.5		
Current Year Interest	13,848	10,692		
Current Year Principal	0	0		

Meter Deposit Balance at Test Year End: 145130

Meter Deposits Refunded During the Test Year:

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 (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
2			5/8 X 3/4	
3			3/4	158
4			1	6
5			1 1/2	
6			Compound 2	
8	C.900 150 PVC	32220	Turbine 2	
10			Compound 3	
12	C.900 150 PVC	19680	Turbine 3	
			Compound 4	
			Turbine 5	
			Compound 6	
			Turbine 6	
			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 2. Ultra Filtration Units Chlorinating System 100,000 Reservoir 168,000 Reservoir 4,000 Compensating Tank	1. 100 hp Booster pump 2. 10 hp Booster pumps 1. Pressure Tank 1550gal.
STRUCTURES:	Office Building Electrical Building Chlorination Building Intake Platform	
OTHER:	Distribution Lines 64 Fire Hydrants Generator	

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.

Water Use Data Sheet					
Name of the System:		0			
ADEQ Public Water System Number:		0			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	164	423 190	765 000		
February	164	387 190	724 000		
March	164	424 210	661 000		
April	164	512 980	269 000		
May	164	483 000	746 000		
June	164	624 540	106 500		
July	164	736 150	118 800		
August	164	561 440	887 000		
September	164	646 130	105 900		
October	164	436 150	710 000		
November	164	540 780	752 000		
December	164	469 440	624 000		
Totals		6 295 200	11 871 000	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

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

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

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

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.

- 1 Gallons sold - Total gallons from customer meters.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

0

Annual Report
Utility Shutoffs / Disconnects
12/31/16

ADEQ System No. : 15123

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January		0	
February		0	
March		0	
April		0	
May		0	
June		0	
July		0	
August		0	
September		0	
October		0	
November		0	
December		0	
Total	0	0	0

Other (description):

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.

0

Annual Report
Property Taxes
12/31/16

Property Taxes

Amount of actual property taxes paid during Calendar Year 2015 was

5210

If no property taxes paid, explain why.

Grey shaded area for explanation.

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.

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ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

0
Annual Report
Verification and Statement (Taxes)
12/31/16

Verification and Statement (Taxes)

Verification: State of 0 ARIZONA I, the undersigned of the
(state name)

County of (county name): 0 La Paz
Name (owner or official) title: 0 Kathi FRICE Gen MGR
Company name: 0 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: 12/31/16

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.

Rolaf Palmer Pres.
signature of owner/official

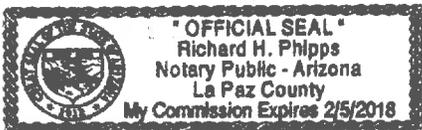
928.857-3506
telephone no.

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

THIS 18th DAY OF La Paz
Oct. 2018
(month) and (year)

MY COMMISSION EXPIRES

2-5-2018
(date)
Richard H. Phipps
(signature of notary public)



Verification and Statement

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Verification:

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

County of (county name): 0 LA PAZ

Name (owner or official) title: 0 Kathi FRICE, Gen. Mgr

Company name: 0 Cibola Mutual Water Company, Inc.

OCT 23 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/16

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:

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OCT 23 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Arizona Intrastate Gross Operating Revenues Only (\$)

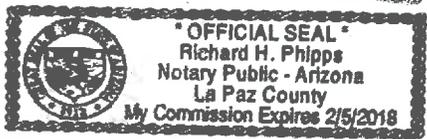
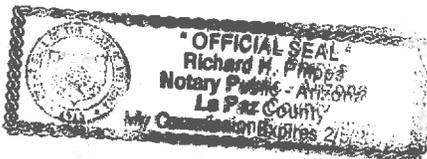
220890

(The amount in the box above includes

2238 in sales taxes
billed or collected)

Kathi Frice
signature of owner/official

928 857 3506
telephone no.



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

THIS 18th DAY OF La Paz
(month) and (year)

MY COMMISSION EXPIRES

2-5-2018
(date)
Richard H. Phipps
(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

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

County of (county name): LA Paz
Name (owner or official) title: Kathi Frice, Gen. Mgr.
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: 12/31/16

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 (\$)

220890

(The amount in the box above includes

2238 in sales taxes
billed or collected)

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OCT 23 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Kathi Frice Pres.
signature of owner/official

928 857 3506
telephone no.

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

La Paz
(county name)

THIS 15th DAY OF Oct. 2017
(month) and (year)

MY COMMISSION EXPIRES 2-5-2018
(date)

Richard H. Phipps
(signature of notary public)

