

**ANNUAL REPORT**

Of

Company Name:   
652 N. Myrtle Point Trail

Mailing Address: Payson AZ  
85541

**RECEIVED BY EMAIL**  
4/25/2024, 5:47 PM  
**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

Docket No.: W-02195B  
For the Year Ended:

**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:   
Application Date:

ARIZONA CORPORATION COMMISSION  
 WATER UTILITY ANNUAL REPORT  
 Bonita Creek Water Company  
 A Class  Utility

For the Calendar Year Ended: 12/31/23

Primary Address:   
 City:  State:  Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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

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

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

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

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

Ownership:

Counties Served:

<b>Important changes during the year</b>	
--	--

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.
	N/A

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.
	N/A

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	\$207	\$0	\$0	\$207	\$207	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	38,668	0	0	38,668	15,323	23,345
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	14,979	0	0	14,979	3,951	11,028
307	Wells and Springs	0	0	0	0	0	0
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	7,186	0	0	7,186	7,186	0
320	Water Treatment Equipment	7,285	0	0	7,285	7,285	0
320.1	Water Treatment Plants	28,031	21,211	0	49,242	8,769	40,473
320.2	Solution Chemical Feeders	17,206	0	0	17,206	4,916	12,290
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	1,183	0	0	1,183	1,183	0
330.1	Storage Tanks	13,016	0	0	13,016	12,454	562
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	45,509	12,850	0	58,359	11,160	47,199
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	8,149	18,034	0	26,182	6,997	19,185
335	Hydrants	0	0	0	0	0	0
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	480	0	0	480	480	0
340.1	Computer & Software	697	0	0	697	697	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	871	0	0	871	871	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	936	12,656	0	13,591	214	13,377
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$184,401</b>	<b>\$64,750</b>	<b>\$0</b>	<b>\$249,152</b>	<b>\$81,693</b>	<b>\$167,459</b>

Bonita Creek Water Company  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/23

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	\$207	\$0	\$0	\$207	\$207	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	38,668	0	0	38,668	14,061	24,607	2.56%	631
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	14,979	0	0	14,979	0	14,979	3.33%	499
307	Wells and Springs	0	0	0	0	0	0	0.00%	0
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	7,186	0	0	7,186	0	7,186	1.00%	72
320	Water Treatment Equipment	7,285	0	0	7,285	7,285	0	0.00%	0
320.1	Water Treatment Plants	28,031	21,211	0	49,242	0	49,242	12.33%	4,765
320.2	Solution Chemical Feeders	17,206	0	0	17,206	0	17,206	14.29%	2,458
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	1,183	0	0	1,183	1,183	0	0.00%	0
330.1	Storage Tanks	13,016	0	0	13,016	0	13,016	1.44%	187
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	45,509	12,850	0	58,359	0	58,359	2.26%	1,176
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	8,149	18,034	0	26,182	6,153	20,029	5.07%	559
335	Hydrants	0	0	0	0	0	0	0.00%	0
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	480	0	0	480	0	480	2.08%	10
340.1	Computer & Software	697	0	0	697	697	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	871	0	0	871	871	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	936	12,656	0	13,591	0	13,591	2.18%	159
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	<b>\$184,401</b>	<b>\$64,750</b>	<b>\$0</b>	<b>\$249,152</b>	<b>\$30,457</b>	<b>\$218,695</b>		<b>\$10,515</b>

Contribution(s) in Aid of Construction (Gross) \$0  
Less: Non Amortizable Contribution(s) 0  
Fully Amortized Contribution(s) 0  
Amortizable Contribution(s) \$0  
Times: Proposed Amortization Rate 4.81%  
**Amortization of CIAC** \$0

Less: Amortization of CIAC **\$0**

**DEPRECIATION EXPENSE** **\$10,515**

Bonita Creek Water Company  
Annual Report  
Balance Sheet Assets  
12/31/23

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$10,851	\$50,238
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		8,424	0
174	Miscellaneous Current and Accrued Assets		0	60
	<b>Total Current and Accrued Assets</b>		<b>\$19,275</b>	<b>\$50,299</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$184,401	\$249,152
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation <b>(enter as negative)*</b>		(71,177)	(81,693)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$113,225</b>	<b>\$167,459</b>
	<b>Total Assets</b>		<b>\$132,499</b>	<b>\$217,758</b>

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

Bonita Creek Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$9,631	\$1,972
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		106	111
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	<b>Total Current Liabilities</b>		<b>\$9,737</b>	<b>\$2,083</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$43,060	\$43,060
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$52,797</b>	<b>\$45,143</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		21,290	21,290
215	Retained Earnings		58,412	151,325
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$79,702</b>	<b>\$172,615</b>
	<b>Total Liabilities and Capital</b>		<b>\$132,499</b>	<b>\$217,759</b>

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

Bonita Creek Water Company  
Annual Report  
Water Comparative Income Statement  
12/31/23

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$52,442	\$52,211
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	4,287	0
471	Miscellaneous Service Revenues	695	1,210
474	Other Water Revenue	0	0
	<b>Total Revenues</b>	<b>\$57,424</b>	<b>\$53,421</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	379	0
615	Purchased Power	3,502	3,055
618	Chemicals	602	0
620	Materials and Supplies	297	104
620.1	Repairs and Maintenance	23,895	18,572
620.2	Office Supplies and Expense	1,099	1,074
630	Contractual Services	15,987	23,400
631	Contractual Services - Engineering	2,850	0
632	Contractual Services - Accounting	4,900	5,800
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	812	0
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	7,466	0
657	Insurance - General Liability	5,365	4,126
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	0	547
403	Depreciation Expense (From Schedule AR4)	10,515	9,297
408	Taxes Other Than Income	871	361
408.11	Property Taxes	1,222	1,223
409	Income Taxes	0	64
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$79,760</b>	<b>\$67,623</b>
	<b>Operating Income / (Loss)</b>	<b>(\$22,336)</b>	<b>(\$14,202)</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$4	\$0
421	Non-Utility Income	116,557	9,079
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(1,312)	(142)
	<b>Total Other Income / (Expense)</b>	<b>\$115,249</b>	<b>\$8,937</b>
	<b>Net Income / (Loss)</b>	<b>\$92,913</b>	<b>(\$5,265)</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	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.2	0.2
Meter reader	0.0	0.0	0.1	0.1
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
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>	0.0	0.0	0.3	0.3

Bonita Creek Water Company  
 Annual Report  
 Supplemental Financial Data (Long-Term Debt)  
 12/31/23

<b>Supplemental Financial Data (Long-Term Debt)</b>				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	2/14/2013	1/0/1900	1/0/1900	1/0/1900
Source of Loan	Patrons	0	0	0
ACC Decision No.	Unknown	0	0	0
Reason for Loan	Expansion	0	0	0
Dollar Amt. Issued	\$45,509	\$0	\$0	\$0
Amount Outstanding	\$43,060	\$0	\$0	\$0
Date of Maturity	2/14/2046	1/0/1900	1/0/1900	1/0/1900
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:	\$0
---	-----

Meter Deposits Refunded During the Test Year:	\$0
---	-----

**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:	N/A
ADEQ Public Water System Number:	NA
ADWR PCC Number:	AZ0404024

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC, Steel	5,100
3.00	PVC, Steel	6,600
4.00	PVC, Steel	1,200
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	63	5%	80%
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	40%	2014	
Galvanized Steel	60%	2010	
NA	0%	NA	
NA	0%	NA	
NA	0%	NA	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	Galvanized Steel	1	2010
10,000	Galvanized Steel	1	2017
10,000	Galvanized Steel	1	2020
0	NA	0	0
0	NA	0	0
0	NA	0	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
NA	NA	0	NA
NA	NA	0	NA
NA	NA	0	NA
NA	NA	0	NA
NA	NA	0	NA
NA	NA	0	NA

\* 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>
--

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

<b>TREATMENT EQUIPMENT:</b>	1 Chemical metering pump; 1 Alum Sulfate metering pump; 1 Calcium Hypochlorite tank and metering pump; 1 sand filter; 1 LT2 filter; 2 mixed media filter housings; 1 UV disinfecting filter; 1 Hach turbidity meter.
<b>STRUCTURES:</b>	1 - 10' x 12' storage shed. 1 - 9' x 14' water treatment building with power. 120 ft of security fencing with locked gates.
<b>OTHER:</b>	NO OTHER EQUIPMENT OR INVENTORY

**Provide a calculation used to determine the value of one water equivalent residential connection (ERC).**

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:  
 $ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$

ERC 

27
----

  
 Method used: 

(a)
-----

Customer and Other Information	
Name of the System:	N/A
ADEQ Public Water System Number:	NA
ADWR PCC Number:	AZ0404024

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	62	0	0	0	1
February	62	0	0	0	1
March	62	0	0	0	1
April	62	0	0	0	1
May	61	0	0	0	1
June	61	0	0	0	1
July	62	0	0	0	1
August	62	0	0	0	1
September	62	0	0	0	1
October	62	0	0	0	1
November	63	0	0	0	1
December	63	0	0	0	1

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?

What is the present system connection capacity (in ERCs \*) using existing lines?

What is the future system connection capacity (in ERCs \*) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
 Plans to replace services lines have been placed on hold indefinitely, steep inflationary costs are making it too expensive to consider currently. With donated funds, we are expecting to complete additional automation of our system in 2024 and replace all of our patron water meters with smart meters.

\* an ERC is based on the calculation on the bottom of AR9 page 12.

Bonita Creek Water Company  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	N/A
ADEQ Public Water System Number:	NA
ADWR PCC Number:	AZ0404024

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):** None

**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.

<b>Property Taxes</b>	
-----------------------	--

Amount of actual property taxes paid during Calendar Year 2023 was	
--	--

\$1,222
---------

If no property taxes paid, explain why.
---

2022 second half \$601.19 & 2023 first half \$620.57 were paid in 2023
--

<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.
---



**Verification and Certification (Taxes)**

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

County of (county name): Gila  
Name (owner or official) title: Derek Olson - Treasurer  
Company name: Bonita Creek Water Company

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

FOR THE YEAR ENDING: 12/31/23

**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.**



signature of owner/official

602-615-0295

telephone no.