

ANNUAL REPORT

Of

Company Name: Empirita Water Company, L.L.C.
2850 E. Skyline Dr., Ste. 100

Mailing Address: Tucson AZ
85718

Docket No.: W-03948A
For the Year Ended: 12/31/23

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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: 5/26/2024

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Empirita Water Company, L.L.C.
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:

Regulatory and Management Contact

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:

Important changes during the year

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

Yes	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.
	Public notice violation, failure to submit sample.

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	\$21,930	\$0	\$0	\$21,930	\$0	\$21,930
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	868	0	0	868	361	507
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	111,136	0	0	111,136	67,632	43,504
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	32,501	0	0	32,501	15,438	17,063
311	Pumping Equipment	70,572	15,150	0	85,722	63,289	22,433
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	35,658	0	0	35,658	13,783	21,875
330.2	Pressure Tanks	72,684	0	0	72,684	40,985	31,699
331	Transmission and Distribution Mains	523,943	0	0	523,943	178,708	345,235
333	Services	4,525	0	0	4,525	1,857	2,668
334	Meters and Meter Installations	3,977	637	0	4,614	2,096	2,518
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	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	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	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	3,720	0	0	3,720	3,534	186
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$881,514	\$15,787	\$0	\$897,301	\$387,683	\$509,618

Empirita Water Company, L.L.C.
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	\$21,930	\$0	\$0	\$21,930	\$21,930	\$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	868	0	0	868	0	868	3.33%	29
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	2.50%	0
307	Wells and Springs	111,136	0	0	111,136	0	111,136	3.33%	3,701
308	Infiltration Galleries	0	0	0	0	0	0	6.67%	0
309	Supply Mains	0	0	0	0	0	0	2.00%	0
310	Power Generation Equipment	32,501	0	0	32,501	0	32,501	5.00%	1,625
311	Pumping Equipment	70,572	15,150	0	85,722	61,151	24,571	12.50%	2,962
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	10.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	35,658	0	0	35,658	0	35,658	2.22%	792
330.2	Pressure Tanks	72,684	0	0	72,684	0	72,684	5.00%	3,634
331	Transmission and Distribution Mains	523,943	0	0	523,943	0	523,943	2.00%	10,479
333	Services	4,525	0	0	4,525	0	4,525	3.33%	151
334	Meters and Meter Installations	3,977	637	0	4,614	1,670	2,944	8.33%	234
335	Hydrants	0	0	0	0	0	0	2.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	6.67%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	20.00%	0
341	Transportation Equipment	0	0	0	0	0	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	5.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	5.00%	0
346	Communication Equipment	3,720	0	0	3,720	0	3,720	10.00%	372
347	Miscellaneous Equipment	0	0	0	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$881,514	\$15,787	\$0	\$897,301	\$84,751	\$812,550		\$23,977

Contribution(s) in Aid of Construction (Gross)	\$253,171
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$253,171
Times: Proposed Amortization Rate	2% and 10%
Amortization of CIAC	\$6,603

Less: Amortization of CIAC \$6,603

DEPRECIATION EXPENSE **\$17,374**

Empirita Water Company, L.L.C.
Annual Report
Balance Sheet Assets
12/31/23

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current and Accrued Assets			
131	Cash		\$9,505	\$3,214
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		(128)	(263)
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$9,377	\$2,951
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$881,514	\$897,301
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(363,705)	(387,683)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$517,809	\$509,618
	Total Assets		\$527,186	\$512,569

*Note these items feed automatically from AR3 UPIS Page 4

Empirita Water Company, L.L.C.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current Liabilities			
231	Accounts Payable		\$3,357	\$13,239
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		181	1,973
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		13,868	45,942
	Total Current Liabilities		\$17,406	\$61,154
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		17,001	17,459
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		253,636	253,171
272	Less: Amortization of Contributions		(68,823)	(75,426)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$201,814	\$195,204
	Total Liabilites		\$219,220	\$256,358
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		222,086	211,900
218	Proprietary Capital (Sole Props and Partnerships)		85,880	44,311
	Total Capital		\$307,966	\$256,211
	Total Liabilities and Capital		\$527,186	\$512,569

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

Empirita Water Company, L.L.C.
Annual Report
Water Comparative Income Statement
12/31/23

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$47,584	\$40,345
460	Unmetered Water Revenue	609	351
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	185	435
	Total Revenues	\$48,378	\$41,131
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	12,125	9,736
618	Chemicals	616	0
620	Materials and Supplies	1,246	966
620.1	Repairs and Maintenance	2,317	144
620.2	Office Supplies and Expense	246	227
630	Contractual Services	0	3,000
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	12,083	2,219
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	50	0
635	Contractual Services - Water Testing	1,173	792
636	Contractual Services - Other	250	1,500
640	Rents	900	840
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	2,340	1,810
657	Insurance - General Liability	1,835	1,763
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	495
403	Depreciation Expense (From Schedule AR4)	17,374	19,654
408	Taxes Other Than Income	0	204
408.11	Property Taxes	2,573	1,752
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$55,128	\$45,102
	Operating Income / (Loss)	(\$6,750)	(\$3,971)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$109
421	Non-Utility Income	87	1,701
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(362)	(2,813)
	Total Other Income / (Expense)	(\$275)	(\$1,003)
	Net Income / (Loss)	(\$7,025)	(\$4,974)

Empirita Water Company, L.L.C.
 Annual Report
 Full time equivalent employees
 12/31/23

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	0.3	0.3
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.3	0.3
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	0.3	0.3
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
Total	0.0	0.0	1.0	1.0

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amt. Issued	N/A	N/A	N/A	N/A
Amount Outstanding	N/A	N/A	N/A	N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	N/A	N/A	N/A	N/A
Current Year Principal	N/A	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$17,459
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Meter Deposits Refunded During the Test Year:	\$1,729
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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											
Name of the System:		EMPIRITA WATER SYSTEM									
ADEQ Public Water System Number:		AZ0402122									
ADWR PCC Number:		91-000826.0000									
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2013	Water level 2023	Meter Size (inches)	How measured:	Active
55-579078	10	25	445	5	Submersible	2000	350	305	1	Metered	Yes
55-580933	10	35	425	5	Submersible	2000	350	294	1	Metered	Yes
55-905700	N/A	N/A	632	7	N/A	2006	N/A	N/A	N/A	N/A	No

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

Name of system water received from:											
ADWR PCC Number:		N/A									
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 ⁶	Purchased Power (kWh) ⁷
January	305,747.00	305,682.00	0.00	0.00	0.00	\$542	2,668
February	219,599.00	217,812.00	0.00	0.00	0.00	704	3,689
March	317,748.00	317,535.00	0.00	0.00	0.00	1,021	6,504
April	475,126.00	467,751.00	0.00	0.00	0.00	1,239	6,721
May	520,627.00	520,617.00	0.00	0.00	0.00	1,328	7,066
June	589,779.00	576,598.00	0.00	0.00	0.00	1,328	7,032
July	705,475.00	705,466.00	0.00	0.00	0.00	1,326	6,723
August	561,008.00	561,008.00	0.00	0.00	0.00	1,287	5,641
September	556,196.00	543,172.00	0.00	0.00	0.00	1,007	4,887
October	519,446.00	512,213.00	0.00	0.00	0.00	867	4,986
November	455,835.00	452,211.00	0.00	0.00	0.00	873	3,147
December	379,081.00	379,076.00	0.00	0.00	0.00	603	2,545
Totals	5,605,667.00	5,559,141.00	0.00	0.00	0.00	\$12,125	61,609

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

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:	EMPIRITA WATER SYSTEM	
ADEQ Public Water System Number:	AZ0402122	
ADWR PCC Number:	91-000826.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.50	PVC	1,660
4.00	PVC	10,520
6.00	PVC	11,950
8.00	PVC	173

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	78	13%	45%

SERVICE LINES		
Material	Percent of system	Year installed
PVC	100%	2005

BOOSTER PUMPS		
Horsepower	GPM	Quantity
9.5	85	2

FIRE HYDRANTS	
Type	Quantity
Standard *	1
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
47,000	Steel	1	2000
150,000	Steel	1	2009

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
80	Steel/Rubber	2	2016
5,000	Steel	2	2016

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

TREATMENT EQUIPMENT:	N/A
STRUCTURES:	Shed, 20' x 20' fench around well 1, 10' x 10' fence around well 2
OTHER:	60' x 50' fenced area

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
- (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	201
Method used:	(a)

Customer and Other Information	
Name of the System:	EMPIRITA WATER SYSTEM
ADEQ Public Water System Number:	AZ0402122
ADWR PCC Number:	91-000826.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	73	0	0	0	1
February	71	0	0	0	1
March	71	0	0	0	1
April	72	0	0	0	2
May	73	0	0	0	1
June	74	0	0	0	1
July	73	0	0	0	2
August	74	0	0	0	2
September	76	0	0	0	1
October	76	0	0	0	2
November	75	0	0	0	1
December	78	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.

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

Empirita Water Company, L.L.C.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	EMPIRITA WATER SYSTEM
ADEQ Public Water System Number:	AZ0402122
ADWR PCC Number:	91-000826.0000

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
Total	0	0	0

Other (description): N/A

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

Amount of actual property taxes paid during Calendar Year 2023 was

\$847

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 Certification (Taxes)

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

County of (county name): Cochise
Name (owner or official) title: James Vermilyea, Managing Member
Company name: Empirita Water Company, L.L.C.

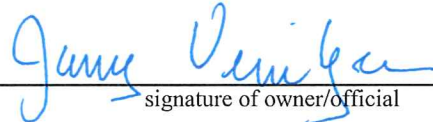
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

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

(520) 490-1218
telephone no.