

ANNUAL REPORT

Of

Company Name: **Flagstaff Ranch Water Company, Inc.**
PO Box 38501

Mailing Address: Mormon Lake AZ
86038

**RECEIVED
BY EMAIL
4/17/2024, 7:55 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

Docket No.: W-02502A
For the Year Ended: **12/31/23**

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: **4/15/2024**

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Flagstaff Ranch Water Company, Inc.
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:

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
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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.
	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.
	Lead consumer notice, monitoring routine major, CCR adequacy/availability/content, follow up or routine tap A/R, monitoring routine major, monitor GWR triggered/additional major

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	\$75,102	\$0	\$0	\$75,102	\$75,102	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	0	0	0	0	0	0
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	129,012	0	0	129,012	129,012	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	404,052	5,793	0	409,845	95,429	314,416
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	282,007	0	0	282,007	279,598	2,409
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	312,705	0	0	312,705	312,705	0
330.1	Storage Tanks	3,499	0	0	3,499	3,499	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	445,185	0	0	445,185	445,185	0
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	5,138	2,050	0	7,188	5,223	1,965
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	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,656,700	\$7,843	\$0	\$1,664,543	\$1,345,753	\$318,790

Flagstaff Ranch Water Company, Inc.
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	\$75,102	\$0	\$0	\$75,102	\$75,102	\$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	0	0	0	0	0	0	0.00%	0
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	129,012	0	0	129,012	129,012	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	404,052	5,793	0	409,845	32,177	377,668	12.50%	26,314
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	282,007	0	0	282,007	261,413	20,594	7.39%	1,522
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	312,705	0	0	312,705	312,705	0	0.00%	0
330.1	Storage Tanks	3,499	0	0	3,499	3,499	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	445,185	0	0	445,185	445,185	0	0.00%	0
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	5,138	2,050	0	7,188	5,138	2,050	8.33%	85
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	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	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	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	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
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
	Subtotal	\$1,656,700	\$7,843	\$0	\$1,664,543	\$1,264,231	\$400,312		\$27,921

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 6.97%
Amortization of CIAC \$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Flagstaff Ranch Water Company, Inc.
 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		\$344,704	\$300,992
134	Working Funds		0	0
135	Temporary Cash Investments		32,040	0
141	Customer Accounts Receivable		0	53,892
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		17,849	18,252
174	Miscellaneous Current and Accrued Assets		0	14,860
	Total Current and Accrued Assets		\$394,593	\$387,996
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,656,700	\$1,664,543
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,317,832)	(1,345,753)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$338,868	\$318,790
	Total Assets		\$733,461	\$706,786

*Note these items feed automatically from AR3 UPIS Page 4

Flagstaff Ranch Water Company, Inc.
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		\$41,196	\$32,817
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		1,104	2,828
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		190,227	190,125
	Total Current Liabilities		\$232,527	\$225,770
	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		9,884	12,125
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
	Total Deferred Credits		\$9,884	\$12,125
	Total Liabilites		\$242,411	\$237,895
	Capital Accounts			
201	Common Stock Issued		\$633,116	\$633,116
211	Other Paid-In Capital		(1,135,000)	0
215	Retained Earnings		992,934	(164,225)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$491,050	\$468,891
	Total Liabilities and Capital		\$733,461	\$706,786

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

Flagstaff Ranch Water Company, Inc.
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	\$271,672	\$249,757
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	1,815	0
	Total Revenues	\$273,487	\$249,757
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	65,683	52,222
618	Chemicals	0	2,704
620	Materials and Supplies	2,919	1,307
620.1	Repairs and Maintenance	42,520	53,334
620.2	Office Supplies and Expense	1,707	1,574
630	Contractual Services	32,989	47,511
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	109,315	105,972
635	Contractual Services - Water Testing	1,563	1,548
636	Contractual Services - Other	70	2,025
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	5,480	5,042
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	2,470	0
675	Miscellaneous Expense	1,200	12,236
403	Depreciation Expense (From Schedule AR4)	27,921	20,714
408	Taxes Other Than Income	71	102
408.11	Property Taxes	6,420	6,194
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$300,328	\$312,485
	Operating Income / (Loss)	(\$26,841)	(\$62,728)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	17,524	1,337
426	Miscellaneous Non-Utility (Expense)	(12,777)	(10,560)
427	Interest (Expense)	0	(107)
	Total Other Income / (Expense)	\$4,747	(\$9,330)
	Net Income / (Loss)	(\$22,094)	(\$72,058)

Flagstaff Ranch Water Company, Inc.
 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	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.8	0.8
Meter reader	0.0	0.0	0.2	0.2
Customer Service	0.0	0.0	0.5	0.5
Accounting	0.0	0.0	1.5	1.5
Business Office	0.0	0.0	0.5	0.5
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	3.5	3.5

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

Meter Deposit Balance at Test Year End:	\$2,242
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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												
Name of the System:		FLAGSTAFF RANCH WATER CO										
ADEQ Public Water System Number:			AZ0403088									
ADWR PCC Number:			91-000106.0000									
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	
55-509021 - well 1	60	75	1,600	12	Submersible	1984	unknown		3	Metered	Yes	
55-581960 - well 5	100	70	1,760	8	Submersible	2001	unknown		3	Metered	Yes	
55-581962 - well 8	60	60	1,780	8	Submersible	2000	unknown		3	Metered	Yes	

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	645,052.00	645,052.00	0.00	0.00		\$5,325	38,144
February	814,802.00	814,802.00	0.00	0.00		3,792	25,795
March	1,222,204.00	1,222,204.00	0.00	0.00		3,887	26,156
April	1,629,605.00	1,629,605.00	0.00	0.00		4,153	22,415
May	1,901,206.00	1,901,206.00	0.00	0.00		4,920	31,494
June	3,127,412.00	3,127,412.00	0.00	0.00		5,748	40,123
July	2,733,068.00	2,733,068.00	0.00	0.00		7,433	48,323
August	2,697,595.00	2,697,595.00	0.00	0.00		9,807	72,443
September	2,705,095.00	2,705,095.00	0.00	0.00		6,484	42,841
October	2,751,228.00	2,751,228.00	0.00	0.00		6,238	41,495
November	1,343,795.00	1,343,795.00	0.00	0.00		4,171	29,005
December	1,169,285.00	1,169,285.00	0.00	0.00		3,725	21,801
Totals	22,740,347.00	22,740,347.00	0.00	0.00	0.00	\$65,683	440,035

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:	FLAGSTAFF RANCH WATER CO		
ADEQ Public Water System Number:	AZ0403088		
ADWR PCC Number:	91-000106.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
6.00	PVC	10,500
8.00	PVC	5,200
8.00	PVC C900	2,283
12.00	PVC	7,800
14.00	Ductile Iron	7,950

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
0.75	165	35%	49%
1	244	9%	32%
1.5	7	29%	57%
3	7	57%	100%

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	75%	2004	
Other	25%	2004	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
40	1,650	1	
5	40	2	

FIRE HYDRANTS	
Type	Quantity
Standard *	67
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
595,000	Steel	1	2004

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
1,000	Steel	1	2013

* 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:	Two arsenic remediation systems
STRUCTURES:	Two well houses @ 10' x 10', one treatment building @ 10' x 10', one treatment building @ 12' x 16', and one well house @ 10' x 12'
OTHER:	LPG generator 45kW w/transfer switch

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	120
Method used:	(a)

Customer and Other Information	
Name of the System:	FLAGSTAFF RANCH WATER CO
ADEQ Public Water System Number:	AZ0403088
ADWR PCC Number:	91-000106.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	393	0	16	2	1
February	394	0	16	2	1
March	393	0	16	2	1
April	394	0	16	2	1
May	395	0	16	2	1
June	395	0	16	2	1
July	398	0	16	2	1
August	399	0	16	2	1
September	396	0	16	2	1
October	403	0	17	2	1
November	401	0	16	2	1
December	400	0	16	2	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.

Flagstaff Ranch Water Company, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	FLAGSTAFF RANCH WATER CO
ADEQ Public Water System Number:	AZ0403088
ADWR PCC Number:	91-000106.0000

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.

Flagstaff Ranch Water Company, Inc.
Annual Report
Property Taxes
12/31/23

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2023 was	\$6,420
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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.

Flagstaff Ranch Water Company, Inc.
Annual Report
Verification and Certification (Taxes)
12/31/23

Verification and Certification (Taxes)

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

County of (county name): Maricopa
Name (owner or official) title: Mark Bohn
Company name: Flagstaff Ranch Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/23

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.

Mark C. Bohn, PRES.

signature of owner/official

(480) 573-0831

telephone no.