

ANNUAL REPORT

Of

Company Name:
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-02500A
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
 Goodman 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:

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

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)
		\$0	\$0	\$0	\$0	\$0	\$0
301	Organization						
302	Franchises	127,103	0	0	127,103	0	127,103
303	Land and Land Rights	494,159	0	0	494,159	0	494,159
304	Structures and Improvements	223,855	13,402	0	237,257	101,073	136,184
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	439,860	4,711	0	444,571	265,295	179,276
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	1,281,270	4,531	0	1,285,801	1,128,663	157,138
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	17,765	0	0	17,765	17,396	369
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	902,367	0	0	902,367	342,231	560,136
330.2	Pressure Tanks	6,230	0	0	6,230	2,026	4,204
331	Transmission and Distribution Mains	1,953,531	0	0	1,953,531	653,147	1,300,384
333	Services	417,750	1,512	0	419,262	229,778	189,484
334	Meters and Meter Installations	354,814	0	0	354,814	254,009	100,805
335	Hydrants	176,852	0	0	176,852	62,175	114,677
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	332,028	2,590	0	334,618	206,938	127,680
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	79,343	0	0	79,343	50,804	28,539
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$6,806,927	\$26,746	\$0	\$6,833,673	\$3,313,535	\$3,520,138

Goodman 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	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	127,103	0	0	127,103	127,103	0	0.00%	0
303	Land and Land Rights	494,159	0	0	494,159	494,159	0	0.00%	0
304	Structures and Improvements	223,855	13,402	0	237,257	0	237,257	3.33%	7,678
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	439,860	4,711	0	444,571	0	444,571	3.33%	14,726
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	1,281,270	4,531	0	1,285,801	978,428	307,373	12.50%	38,138
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	17,765	0	0	17,765	16,534	1,231	20.00%	246
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	902,367	0	0	902,367	0	902,367	2.22%	20,033
330.2	Pressure Tanks	6,230	0	0	6,230	0	6,230	5.00%	312
331	Transmission and Distribution Mains	1,953,531	0	0	1,953,531	0	1,953,531	2.00%	39,071
333	Services	417,750	1,512	0	419,262	0	419,262	3.33%	13,936
334	Meters and Meter Installations	354,814	0	0	354,814	86,410	268,404	8.33%	22,358
335	Hydrants	176,852	0	0	176,852	0	176,852	2.00%	3,537
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	332,028	2,590	0	334,618	187,582	147,036	6.67%	9,721
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	79,343	0	0	79,343	0	79,343	10.00%	7,934
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	\$6,806,927	\$26,746	\$0	\$6,833,673	\$1,890,216	\$4,943,457		\$177,689

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	3.59%
Amortization of CIAC	\$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Goodman Water Company
 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		\$205,793	\$125,531
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		160	114
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		33,642	131,706
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$239,595	\$257,351
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$6,806,927	\$6,833,673
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(3,135,845)	(3,313,535)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$3,671,082	\$3,520,138
	Total Assets		\$3,910,677	\$3,777,489

*Note these items feed automatically from AR3 UPIS Page 4

Goodman Water Company
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		\$36,516	\$23,042
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		94,860	97,187
236	Accrued Taxes		6,004	5,939
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		1,270	796
	Total Current Liabilities		\$138,650	\$126,964
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$229,199	\$248,392
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		1,768,791	1,650,502
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		\$1,768,791	\$1,650,502
	Total Liabilities		\$2,136,640	\$2,025,858
	Capital Accounts			
201	Common Stock Issued		\$113	\$113
211	Other Paid-In Capital		2,284,174	2,284,174
215	Retained Earnings		(510,250)	(532,656)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$1,774,037	\$1,751,631
	Total Liabilities and Capital		\$3,910,677	\$3,777,489

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

Goodman Water Company
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	\$1,028,021	\$1,035,498
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	2,078	2,128
474	Other Water Revenue	11,817	15,414
	Total Revenues	\$1,041,916	\$1,053,040
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	41,992	31,301
618	Chemicals	2,237	2,302
620	Materials and Supplies	1,900	303
620.1	Repairs and Maintenance	2,838	7,044
620.2	Office Supplies and Expense	21,580	18,806
630	Contractual Services	0	390
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	4,800	4,500
633	Contractual Services - Legal	0	1,308
634	Contractual Services - Management Fees	356,625	352,912
635	Contractual Services - Water Testing	3,543	3,861
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	3,540	3,540
657	Insurance - General Liability	17,030	9,158
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	2,304	945
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	2,667	753
403	Depreciation Expense (From Schedule AR4)	177,689	176,614
408	Taxes Other Than Income	0	0
408.11	Property Taxes	44,141	44,141
409	Income Taxes	0	99,781
427.1	Customer Security Deposit Interest	1,930	2,124
	Total Operating Expenses	\$684,816	\$759,783
	Operating Income / (Loss)	\$357,100	\$293,257
	Other Income / (Expense)		
419	Interest and Dividend Income	\$144	\$20
421	Non-Utility Income	653	852
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(18,302)	(21,046)
	Total Other Income / (Expense)	(\$17,505)	(\$20,174)
	Net Income / (Loss)	\$339,595	\$273,083

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.5	0.0	0.0	0.5
Vice-president	0.5	0.0	0.0	0.5
Manager	0.0	0.0	1.0	1.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	1.0	1.0
Meter reader	0.0	0.0	1.0	1.0
Customer Service	0.0	0.0	0.5	0.5
Accounting	0.0	0.0	0.3	0.3
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	1.0	0.0	4.3	5.3

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

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	2/18/2008			
Source of Loan	EC DEVELOPMENT			
ACC Decision No.	56118			
Reason for Loan	EXPANSION			
Dollar Amt. Issued	\$527,400			
Amount Outstanding	\$229,199			
Date of Maturity	2/18/2028			
Interest Rate	8.50%			
Current Year Interest	\$18,302			
Current Year Principal	\$36,621			

Meter Deposit Balance at Test Year End:	\$55,814
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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:		GOODMAN WATER COMPANY									
ADEQ Public Water System Number:		AZ0411130									
ADWR PCC Number:		91-000561.0000									
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
55-610541	75	550	700	12	TURBINE	1982	220	300	8	Metered	Yes
55-595228	100	800	618	16	TURBINE	2004	220	300	8	Metered	Yes

Name of system water delivered to:	
ADWR PCC Number:	NA
Source of water delivered to another system	NA
Name of system water received from:	
ADWR PCC Number:	
Source of water received	NA
Well registry 55# (55-XXXXXX):	NA

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	4,313,400.00	4,026,230.00	0.00	0.00	0.00	\$3,753	22,563
February	4,334,600.00	3,853,550.00	0.00	0.00	0.00	3,352	18,413
March	4,169,000.00	3,529,790.00	0.00	0.00	0.00	3,334	19,136
April	5,175,000.00	4,719,610.00	0.00	0.00	0.00	3,393	19,850
May	5,228,000.00	4,684,760.00	0.00	0.00	0.00	3,678	25,095
June	6,482,000.00	5,734,814.00	0.00	0.00	0.00	3,013	25,055
July	6,094,000.00	5,612,537.00	0.00	0.00	0.00	3,678	23,753
August	5,829,000.00	5,159,424.00	0.00	0.00	0.00	3,567	21,997
September	5,368,000.00	5,046,935.00	0.00	0.00	0.00	3,760	22,508
October	6,349,000.00	5,903,097.00	0.00	0.00	0.00	3,621	19,734
November	5,144,000.00	4,882,000.00	0.00	0.00	0.00	3,652	19,487
December	5,602,000.00	5,102,989.00	0.00	0.00	0.00	3,191	21,987
Totals	64,088,000.00	58,255,736.00	0.00	0.00	0.00	\$41,992	259,578

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

- 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:	GOODMAN WATER COMPANY
ADEQ Public Water System Number:	AZ0411130
ADWR PCC Number:	91-000561.0000

MAINS		
Sizes (inches)	Material	Length (feet)
3.00	Poly	950
4.00	PVC	153
6.00	PVC	4,310
6.00	DIP/ACP	57
8.00	PVC	22,169
8.00	DIP/ACP	661
12.00	PVC	17,835

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	589	0%	5%
0.75	366	0%	28%
1	6	33%	17%
1.5	2	0%	50%
Compound 2	6	83%	50%
Compound 3	3	66%	66%

SERVICE LINES		
Material	Percent of system	Year installed
Copper	100%	1997-2018

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	50	2
10	120	1
20	350	3
30	400	2

FIRE HYDRANTS	
Type	Quantity
Standard *	76
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
400,000	STEEL	1	2001
530,000	STEEL	1	2008

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	STEEL	1	MID 90S
5,000	STEEL	1	2007

* 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:	TABLET CHLORINATION UNIT, LIQUID CHLORINATION UNIT
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STRUCTURES:	BLOCK WALL FENCING AROUND WELL SITES, 12X45FT STORAGE BUILDING, TUFFSHED SITE 1
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OTHER:	SCADA SYSTEM AND MOTION DETECTORS AT ALL SITES, GENERATOR BACKUP
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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	179
Method used:	(a)

Customer and Other Information	
Name of the System:	GOODMAN WATER COMPANY
ADEQ Public Water System Number:	AZ0411130
ADWR PCC Number:	91-000561.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	954	0	0	0	0
February	954	0	0	0	0
March	950	0	0	0	0
April	958	0	0	0	0
May	948	0	0	0	0
June	954	0	0	0	0
July	951	0	0	0	0
August	935	0	0	0	0
September	955	0	0	0	0
October	957	0	0	0	0
November	957	0	0	0	0
December	958	0	0	0	0

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 GCPCPD 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.

NONE

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

Goodman Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	GOODMAN WATER COMPANY
ADEQ Public Water System Number:	AZ0411130
ADWR PCC Number:	91-000561.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	22	0
February	0	7	0
March	0	0	0
April	0	0	0
May	0	16	0
June	0	9	0
July	0	13	0
August	0	7	0
September	0	15	0
October	0	9	0
November	0	19	0
December	0	9	0
Total	0	126	0

Other (description):

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.

Property Taxes

Amount of actual property taxes paid during Calendar Year 2023 was

\$44,141

If no property taxes paid, explain why.

NA

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: DUSTIN DESPAIN
Company name: Goodman Water Company

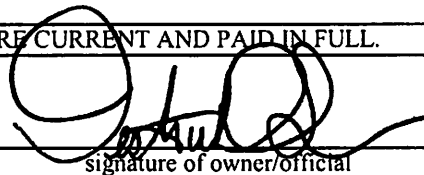
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

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

520-265-5350
telephone no.