

ANNUAL REPORT

Of

Company Name:
PO Box 3246
Mailing Address: 549 Camper Village Lane
Grand Canyon AZ
86023
Docket No.:
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
Hydro-Resources, 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:

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.

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.

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	\$258,392			\$258,392	\$258,392	\$0
302	Franchises	0			0	0	0
303	Land and Land Rights	137,407			137,407	137,407	0
304	Structures and Improvements	22,696			22,696	6,048	16,648
305	Collecting & Improving Reservoirs	0			0	0	0
306	Lake, River, Canal Intakes	0			0	0	0
307	Wells and Springs	883,247			883,247	649,409	233,838
308	Infiltration Galleries	0			0	0	0
309	Supply Mains	0			0	0	0
310	Power Generation Equipment	0			0	0	0
311	Pumping Equipment	146,830			146,830	117,260	29,570
320	Water Treatment Equipment	0			0	0	0
320.1	Water Treatment Plants	0			0	0	0
320.2	Solution Chemical Feeders	0			0	0	0
320.3	Point-of-Use Treatment Devices	0			0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	64,341	583,176	0	647,517	58,966	588,551
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	455,266	0	0	455,266	41,683	413,583
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	52,814	4,301	0	57,115	25,025	32,090
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	62,923	0	0	62,923	45,882	17,041
340	Office Furniture and Equipment	3,021	0	0	3,021	3,021	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	63,409	0	0	63,409	63,409	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	45,612	7,346	0	52,958	15,293	37,665
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	58,037	0	0	58,037	39,772	18,265
346	Communication Equipment	2,074	0	0	2,074	1,656	418
347	Miscellaneous Equipment	9,362	0	0	9,362	6,880	2,482
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$2,265,431	\$594,823	\$0	\$2,860,254	\$1,470,103	\$1,390,151

Hydro-Resources, 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	\$258,392	\$0	\$0	\$258,392	\$258,392	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	137,407	0	0	137,407	137,407	0	0.00%	0
304	Structures and Improvements	22,696	0	0	22,696	0	22,696	3.33%	756
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	883,247	0	0	883,247	0	883,247	3.33%	29,412
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	146,830	0	0	146,830	0	146,830	12.50%	18,354
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	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	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	64,341	583,176	0	647,517	0	647,517	2.22%	7,902
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	455,266	0	0	455,266	0	455,266	2.00%	9,105
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	52,814	4,301	0	57,115	0	57,115	8.33%	4,579
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	62,923	0	0	62,923	0	62,923	6.67%	4,197
340	Office Furniture and Equipment	3,021	0	0	3,021	3,021	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	63,409	0	0	63,409	63,409	0	20.00%	6,305
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	45,612	7,346	0	52,958	0	52,958	5.00%	2,464
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	58,037	0	0	58,037	0	58,037	5.00%	2,902
346	Communication Equipment	2,074	0	0	2,074	0	2,074	10.00%	207
347	Miscellaneous Equipment	9,362	0	0	9,362	0	9,362	10.00%	936
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$2,265,431	\$594,823	\$0	\$2,860,254	\$462,229	\$2,398,025		\$87,119

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 3.63%
Amortization of CIAC \$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Hydro-Resources, 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		\$60,097	\$61,757
134	Working Funds		0	0
135	Temporary Cash Investments		82,180	7,415
141	Customer Accounts Receivable		41,811	59,966
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		12,560	11,664
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$196,648	\$140,802
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,265,431	\$2,860,254
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,383,177)	(1,470,103)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$882,254	\$1,390,151
	Total Assets		\$1,078,902	\$1,530,953

*Note these items feed automatically from AR3 UPIS Page 4

Hydro-Resources, 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		\$28,043	\$8,819
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		14,353	19,270
	Total Current Liabilities		\$42,396	\$28,089
	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		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
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$42,396	\$28,089
	Capital Accounts			
201	Common Stock Issued		\$50,000	\$50,000
211	Other Paid-In Capital		30,081	30,081
215	Retained Earnings		956,425	1,422,783
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$1,036,506	\$1,502,864
	Total Liabilities and Capital		\$1,078,902	\$1,530,953

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

Hydro-Resources, 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	\$557,868	\$551,106
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	0	0
	Total Revenues	\$557,868	\$551,106
	Operating Expenses		
601	Salaries and Wages	\$182,434	\$105,716
604	Employee Pensions and Benefits	0	3,284
610	Purchased Water	7,511	0
615	Purchased Power	102,828	63,340
618	Chemicals	1,720	1,625
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	34,991	39,755
620.2	Office Supplies and Expense	6,902	5,247
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	30,771	27,900
633	Contractual Services - Legal	12,440	11,919
634	Contractual Services - Management Fees	0	1,500
635	Contractual Services - Water Testing	3,267	5,032
636	Contractual Services - Other	3,116	6,534
640	Rents	0	0
641	Rental of Building/Real Property	57,000	57,636
642	Rental of Equipment	0	7,353
650	Transportation Expenses	13,924	13,455
657	Insurance - General Liability	47,140	36,995
657.1	Insurance - Health and Life	24,702	11,765
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	4,789	2,251
403	Depreciation Expense (From Schedule AR4)	87,119	86,187
408	Taxes Other Than Income	13,998	8,370
408.11	Property Taxes	27,836	27,747
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$662,488	\$523,611
	Operating Income / (Loss)	(\$104,620)	\$27,495
	Other Income / (Expense)		
419	Interest and Dividend Income	\$235	\$50
421	Non-Utility Income	42,375	44,700
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	(670)
	Total Other Income / (Expense)	\$42,610	\$44,080
	Net Income / (Loss)	(\$62,010)	\$71,575

Hydro-Resources, Inc.
Annual Report
Full time equivalent employees
12/31/23

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1.0	0.0	0.0	1.0
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)	1.0	0.0	0.0	1.0
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	1.0	1.0
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	1.0	0.0	0.0	1.0
Total	3.0	0.0	1.0	4.0

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

Meter Deposit Balance at Test Year End: NA

Meter Deposits Refunded During the Test Year: NA

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

TREATMENT EQUIPMENT:	2 chemical feed pumps
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STRUCTURES:	well controls shed, well shed, fire pump house
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OTHER:	
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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 365
- (b) If no historical flow data are available, use:

$$ERC = (Total\ SFR\ gallons\ sold\ (Omit\ 000) / 365\ days) / 350\ gallons\ per\ day$$

ERC

Method used:

Customer and Other Information	
Name of the System:	Hydro Resources Tusayan
ADEQ Public Water System Number:	04-03-312
ADWR PCC Number:	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	60	7	22		3
February	60	7	22		3
March	60	7	22		3
April	60	7	22		3
May	60	7	22		3
June	60	7	22		3
July	60	7	22		3
August	60	7	22		3
September	60	7	22		3
October	60	7	22		3
November	60	7	22		3
December	60	7	22		3

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

Does the system have chlorination treatment? Yes

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement? No
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)? No
 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.

Hydro-Resources, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	Hydro Resources Tusayan
ADEQ Public Water System Number:	04-03-0312
ADWR PCC Number:	

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

Other (description):

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.

Hydro-Resources, 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	\$27,836
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If no property taxes paid, explain why.

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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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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): Coconino
Name (owner or official) title: John Rueter
Company name: HYDRO-RESOURCES 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.

John Rueter
signature of owner/official

9285224405
telephone no.

