

**ANNUAL REPORT**

Of

Company Name: **Inscription Canyon Water Company**  
PO Box 2344

Mailing Address: Prescott AZ  
86302-2344

Docket No.: W-02824A  
For the Year Ended: **12/31/23**

**RECEIVED  
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4/15/2024, 8:48 AM  
**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: **4/5/2024**

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Inscription Canyon Water Company  
A Class  Utility

For the Calendar Year Ended: 12/31/23

Primary Address: 302 W. WILLIS STREET, STE 203  
City: PRESCOTT State: Arizona Zip Code: 86301

Telephone Number: 928-445-0551

Date of Original Organization of Utility: 7/12/1989

Person to whom correspondence should be addressed concerning this report:

Name: CHERL IBBOTSON  
Telephone No. : 928-445-5606  
Address: 302 W. WILLIS STREET, STE 203  
City: PRESCOTT State: Arizona Zip Code: 86301  
Email: cherylibbotson@gmail.com

**On-Site Manager**

Name: aQuality Water Company, LLC  
Telephone No. : 928-606-0498  
Address: PO BOX 264  
City: WILLIAMS State: Arizona Zip Code: 86046  
Email: pataqualitywater@gmail.com

**Statutory Agent**

Name: CHERYL IBBOTSON  
Telephone No. : 928-445-5606  
Address: 302 W. WILLIS STREET, STE 203  
City: PRESCOTT State: Arizona Zip Code: 86301  
Email: rmbusch1@gmail.com

**NA**

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

**NA**

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

Ownership: Association--Cooperative

Counties Served: Yavapai

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

Inscription Canyon Water Company  
Annual Report  
Utility Plant in Service (Water)  
12/31/23

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	16,388	0	0	16,388	16,388	0
303	Land and Land Rights	39,880	0	0	39,880	0	39,880
304	Structures and Improvements	282,151	53,925	0	336,076	149,722	186,354
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	342,119	0	0	342,119	28,134	313,985
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	1,590,435	10,099	0	1,600,534	1,374,029	226,505
320	Water Treatment Equipment	7,832	0	0	7,832	4,698	3,134
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	225,218	(225,218)
330.1	Storage Tanks	614,782	0	0	614,782	0	614,782
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	7,711,503	511,181	0	8,222,684	2,709,211	5,513,473
333	Services	983,646	0	0	983,646	547,345	436,301
334	Meters and Meter Installations	572,961	142,641	3,584	712,018	183,396	528,622
335	Hydrants	677,431	61,303	0	738,734	235,871	502,863
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	46,957	0	0	46,957	31,647	15,310
340	Office Furniture and Equipment	233	0	0	233	233	0
340.1	Computer & Software	4,997	0	0	4,997	1,500	3,497
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	438	0	0	438	374	64
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
	<b>Totals</b>	<b>\$12,891,753</b>	<b>\$779,149</b>	<b>\$3,584</b>	<b>\$13,667,318</b>	<b>\$5,507,766</b>	<b>\$8,159,552</b>

Inscription Canyon 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	16,388	0	0	16,388	0	16,388	0.00%	0
303	Land and Land Rights	39,880	0	0	39,880	0	39,880	0.00%	0
304	Structures and Improvements	282,151	53,925	0	336,076	0	336,076	3.33%	10,796
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	342,119	0	0	342,119	0	342,119	3.33%	11,124
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	0	0	0	0	0	0	5.00%	0
311	Pumping Equipment	1,590,435	10,099	0	1,600,534	0	1,600,534	12.50%	27,549
320	Water Treatment Equipment	7,832	0	0	7,832	0	7,832	3.33%	371
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	614,782	0	0	614,782	0	614,782	2.22%	13,660
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	7,711,503	511,181	0	8,222,684	0	8,222,684	2.00%	162,328
333	Services	983,646	0	0	983,646	0	983,646	3.33%	32,793
334	Meters and Meter Installations	572,961	142,641	3,584	712,018	0	712,018	8.33%	52,924
335	Hydrants	677,431	61,303	0	738,734	0	738,734	2.00%	14,179
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	46,957	0	0	46,957	0	46,957	6.67%	2,983
340	Office Furniture and Equipment	233	0	0	233	0	233	6.67%	0
340.1	Computer & Software	4,997	0	0	4,997	0	4,997	20.00%	1,000
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	438	0	0	438	0	438	5.00%	22
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	0	0	0	0	0	0	10.00%	0
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
	<b>Subtotal</b>	<b>\$12,891,753</b>	<b>\$779,149</b>	<b>\$3,584</b>	<b>\$13,667,318</b>	<b>\$0</b>	<b>\$13,667,318</b>		<b>\$329,729</b>

Contribution(s) in Aid of Construction (Gross)	\$6,399,787
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$6,399,787
Times: Proposed Amortization Rate	2.41%
Amortization of CIAC	\$154,397

Less: Amortization of CIAC \$154,397

**DEPRECIATION EXPENSE** \$175,332

Inscription Canyon Water Company  
Annual Report  
Balance Sheet Assets  
12/31/23

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		<b>Balance at Beginning of Year (2023)</b>	<b>Balance at End of Year (2023)</b>
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$501,059	\$479,105
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		37,657	32,830
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments		19,538	
174	Miscellaneous Current and Accrued Assets		4,329	
	<b>Total Current and Accrued Assets</b>		<b>\$562,583</b>	<b>\$511,935</b>
<b>Account No.</b>	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$12,891,753	\$13,667,318
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(5,178,335)	(5,507,766)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$7,713,418</b>	<b>\$8,159,552</b>
	<b>Total Assets</b>		<b>\$8,276,001</b>	<b>\$8,671,487</b>

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

Inscription Canyon Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		<b>Balance at Beginning of Year (2023)</b>	<b>Balance at End of Year (2023)</b>
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$72,603	\$42,682
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		27,975	22,255
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	<b>Total Current Liabilities</b>		<b>\$100,578</b>	<b>\$64,937</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		6,195,266	6,120,517
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		5,706,149	6,399,787
272	Less: Amortization of Contributions		(1,839,288)	(1,993,685)
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$10,062,127</b>	<b>\$10,526,619</b>
	<b>Total Liabilities</b>		<b>\$10,162,705</b>	<b>\$10,591,556</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		(1,886,704)	(1,920,069)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>(\$1,886,704)</b>	<b>(\$1,920,069)</b>
	<b>Total Liabilities and Capital</b>		<b>\$8,276,001</b>	<b>\$8,671,487</b>

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

Inscription Canyon 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	\$744,734	\$713,566
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	9,830	5,159
	<b>Total Revenues</b>	<b>\$754,564</b>	<b>\$718,725</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water	21,084	21,881
615	Purchased Power	149,262	130,726
618	Chemicals	4,528	2,284
620	Materials and Supplies		
620.1	Repairs and Maintenance	64,775	95,369
620.2	Office Supplies and Expense	12,419	11,036
630	Contractual Services		
631	Contractual Services - Engineering	35,245	71,187
632	Contractual Services - Accounting	54,582	54,661
633	Contractual Services - Legal	16,469	158
634	Contractual Services - Management Fees	189,339	182,136
635	Contractual Services - Water Testing	11,555	4,472
636	Contractual Services - Other	7,687	
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	16	62
657	Insurance - General Liability	20,617	19,115
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	3,900	3,722
670	Bad Debt Expense		
675	Miscellaneous Expense		
403	Depreciation Expense (From Schedule AR4)	175,332	
408	Taxes Other Than Income		
408.11	Property Taxes	18,663	17,959
409	Income Taxes		
427.1	Customer Security Deposit Interest	1,038	903
	<b>Total Operating Expenses</b>	<b>\$786,512</b>	<b>\$615,671</b>
	<b>Operating Income / (Loss)</b>	<b>(\$31,948)</b>	<b>\$103,054</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$803	\$51
421	Non-Utility Income	499	11,914
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	<b>\$1,301</b>	<b>\$11,965</b>
	<b>Net Income / (Loss)</b>	<b>(\$30,647)</b>	<b>\$115,019</b>



**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President			1.0	1.0
Vice-president			1.0	1.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)			2.0	2.0
Meter reader			1.0	1.0
Customer Service			2.0	2.0
Accounting			1.0	1.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
<b>Total</b>	0.0	0.0	8.0	8.0

Inscription Canyon 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	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:	\$178,745
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Meter Deposits Refunded During the Test Year:	\$178,745
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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.**

Inscription Canyon Water Company  
Annual Report  
Well and Water Usage  
12/31/23

**Well and Water Usage**

Name of the System:		INSCRIPTION CANYON RANCH SYSTEM									
ADEQ Public Water System Number:		AZ0413303									
ADWR PCC Number:		91-000687.0000									
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
55-542062	75	400	300	8'	N/A				6	Metered	Yes
55-575290	75	400	300	8'	N/A				6	Metered	Yes

Name of system water delivered to:	INSCRIPTION CANYON RANCH SYSTEM
ADWR PCC Number:	91-000687.0000
Source of water delivered to another system	NA

Name of system water received from:	INSCRIPTION CANYON RANCH SYSTEM
ADWR PCC Number:	91-000687.0000
Source of water received	NA
Well registry 55# (55-XXXXXX):	

Month	Water withdrawn (gallons) <sup>1</sup>	Water sold (gallons) <sup>2</sup>	Water delivered (sold) to other systems (gallons) <sup>3</sup>	Water received (purchased) from other systems (gallons) <sup>4</sup>	Estimated authorized use (gallons) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	1,697,344.00	1,586,680.00	n/a	n/a	375,000.00	\$2,247	13,104
February	1,524,470.00	1,435,540.00	n/a	n/a	266,000.00	1,987	10,808
March	1,480,895.00	1,436,040.00	n/a	n/a	240,000.00	1,891	10,600
April	2,310,526.00	2,113,280.00	n/a	n/a	50,000.00	2,196	13,789
May	4,113,258.00	3,900,559.00	n/a	n/a	60,000.00	3,004	18,772
June	4,363,955.00	4,141,760.00	n/a	n/a	60,000.00	3,027	19,285
July	4,691,358.00	4,613,130.00	n/a	n/a	60,000.00	3,698	25,194
August	5,121,795.00	5,001,010.00	n/a	n/a	310,000.00	3,288	21,318
September	4,388,373.00	4,239,110.00	n/a	n/a	250,000.00	3,391	22,146
October	4,806,719.00	4,669,170.00	n/a	n/a	80,000.00	3,355	22,074
November	3,848,113.00	3,658,760.00	n/a	n/a	30,000.00	2,856	18,297
December	2,271,862.00	2,080,750.00	n/a	n/a	250,000.00	2,292	14,419

<b>Totals</b>	40,618,668.00	38,875,789.00	0.00	0.00	2,031,000.00	533,232	209,806
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**If applicable, in the space below please provide a description for all un-metered water use along with amounts:**

N/A

- 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:	INSCRIPTION CANYON RANCH SYSTEM		
ADEQ Public Water System Number:	AZ0413303		
ADWR PCC Number:	91-000687.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	ACP, C900	285
6.00	ACP, C900	16,023
8.00	ACP, C900	99,218
10.00	ACP, C900	13,113
12.00	ACP, C900	13,152
16.00	ACP, C900	908
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	454	5%	10%
1	10	40%	0%
2	3	0%	0%
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	100%		
NA			
NA			
NA			
NA			

BOOSTER PUMPS		
Horsepower	GPM	Quantity
100		2
75		3
25		2
40		0

FIRE HYDRANTS	
Type	Quantity
Standard *	203
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
350K		2	

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

\* 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.

ICR

<b>Water Utility Plant Description (Continued)</b>
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For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	CHLORINE INJECTION
<b>STRUCTURES:</b>	3 WELL HOUSES, 3 BOOSTER STATIONS, WELL FIELD ELECTRICAL CONTROL HOUSE
<b>OTHER:</b>	2 STORAGE HOUSES

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 

234
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 Method used: 

(b)
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Customer and Other Information	
Name of the System:	INSCRIPTION CANYON RANCH SYSTEM
ADEQ Public Water System Number:	AZ0413303
ADWR PCC Number:	91-000687.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	445	0	1	3	0
February	446	0	1	4	0
March	449	0	1	4	0
April	450	0	1	2	0
May	449	0	1	4	0
June	450	0	1	4	0
July	450	0	1	4	0
August	460	0	1	4	0
September	464	0	1	4	0
October	466	0	1	4	0
November	467	0	1	4	0
December	463	0	1	4	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 (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.

Inscription Canyon Water Company  
 Annual Report  
 Well and Water Usage  
 12/31/23

**Well and Water Usage**

Name of the System: ICR TALKING ROCK

ADEQ Public Water System Number: AZ0413263

ADWR PCC Number: 91-000686.0000

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
55-584177	30	325	300	8"	N/A	2001			6	Metered	Yes
55-589659	30	270	275	8"	N/A	2002			6	Metered	No
55-589600	30	230	252	8"	N/A	2001			6	Metered	Yes
55-928233	40	250	300	12"	SUBMERSABLE	2002		168	6	Metered	Yes
										N/A	N/A

Name of system water delivered to: ICR TALKING ROCK

ADWR PCC Number: 91-000686.0000

Source of water delivered to another system: NA

Name of system water received from: INSCRIPTION CANYON RANCH SYSTEM

ADWR PCC Number: 91-000687.0000

Source of water received: NA

Well registry 55# (55-XXXXXX):



TRR

Month	Water withdrawn (1)	Water sold (2)	Water delivered (sold) to other systems (3)	Water received (purchased) from other systems (4)	Estimated authorized use (5)	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	2,224,463.00	2,136,000.00	n/a	n/a	170,000.00	\$5,703	334,800
February	1,425,436.00	1,371,249.00	n/a	n/a	140,000.00	4,377	24,600
March	1,324,228.00	1,285,560.00	n/a	n/a	75,000.00	4,499	24,000
April	5,264,260.00	5,117,560.00	n/a	n/a	60,000.00	8,146	45,160
May	16,954,890.00	16,448,510.00	n/a	n/a	50,000.00	12,986	82,880
June	15,430,969.00	15,399,715.00	n/a	n/a	0.00	12,257	78,440
July	17,474,262.00	17,073,630.00	n/a	n/a	60,000.00	14,212	95,480
August	19,627,687.00	19,384,810.00	n/a	n/a	50,000.00	13,542	89,200
September	16,749,344.00	16,375,013.00	n/a	n/a	60,000.00	13,635	90,560
October	12,110,990.00	11,839,900.00	n/a	n/a	50,000.00	10,865	61,800
November	9,075,957.00	8,731,510.00	n/a	n/a	40,000.00	8,882	47,480
December	3,690,521.00	3,583,810.00	n/a	n/a	250,000.00	7,063	33,640
<b>Totals</b>	<b>121,353,007.00</b>	<b>118,747,267.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,005,000.00</b>	<b>\$116,167</b>	<b>1,008,040</b>

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

- 1 Water withdrawn - Total of water withdrawn from pumped sources.
- 2 Water sold - Total from customer meters, and other sales such as construction water.
- 3 Water delivered (sold) to other systems - Total of water delivered to other systems.
- 4 Water received (purchased) from other systems - Total of water purchased/received from other systems.
- 5 Estimated authorized use - Total estimated 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.

Inscription Canyon Water Company  
 Annual Report  
 Water Utility Plant Description  
 12/31/23

Water Utility Plant Description	
Name of the System:	ICR TALKING ROCK
ADEQ Public Water System Number:	AZ0413263
ADWR PCC Number:	91-0686.000

MAINS		
Sizes (inches)	Material	length (feet)
4.00	ACP, C90	285
6.00	ACP, C90	16,023
8.00	ACP, C90	99,218
10.00	ACP, C90	13,113
12.00	ACP, C90	13,152
16.00	ACP, C90	908
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	357	2%	0%
1	165	3%	0%
6	1	100%	0%
2	4	100%	0%
1.5	3	33%	0%
3	1	33%	0%
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			

SERVICE LINES		
Material	Percent of	Year installed
PVC	100%	
NA		
NA		
NA		
NA		

BOOSTER PUMPS		
Horsepower	GPM	Quantity
35		2

FIRE HYDRANTS	
Type	Quantity
Standard *	161
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
350K		2	

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
N/A			

Table of Contents

**Water Utility Plant Description (Continued)**

#REF! For the following three items, list the utility owned assets in each category for each

<b>TREATMENT EQUIPMENT:</b>	CHLORINE INJECTION
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<b>STRUCTURES:</b>	2 WELL HOUSES, 1 BOOSTER STATION
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<b>OTHER:</b>	2 STORAGE TANKS
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**Provide a calculation used to determine the value of one water equivalent resident**  
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
- (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 

188
-----

  
 Method used 

(b)
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Inscription Canyon Water Company  
 Annual Report  
 Customer and Other Information  
 12/31/23

Customer and Other Information	
Name of the System:	ICR TALKING ROCK
ADEQ Public Water System Number:	AZ0413263
ADWR PCC Number:	91-0686.000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	507	0	11	6	1
February	503	0	11	6	1
March	507	0	11	6	1
April	510	0	11	6	1
May	508	0	11	6	1
June	509	0	11	6	1
July	514	0	11	6	1
August	520	0	11	6	1
September	520	0	11	6	1
October	525	0	11	6	1
November	523	0	11	6	1
December	522	0	11	6	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.

Inscription Canyon Water Company  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	INSCRIPTION CANYON RANCH SYSTEM
ADEQ Public Water System Number:	AZ0413303
ADWR PCC Number:	91-000687.0000

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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

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.

<b>Property Taxes</b>	
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Amount of actual property taxes paid during Calendar Year 2023 was	<b>\$183,211</b>
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If no property taxes paid, explain why.

<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.
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**Verification and Certification (Taxes)**

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

County of (county name): Yavapai  
Name (owner or official) title: GILES HOWARD  
Company name: Inscription Canyon 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

970-846-6445  
telephone no.