

ANNUAL REPORT

Of

Company Name:
PO Box 2344

Mailing Address: Prescott AZ
86302-2344

Docket No.: W-02824A
For the Year Ended:

RECEIVED BY EMAIL
4/10/2025, 2:32PM
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:
Application Date:

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

For the Calendar Year Ended: 12/31/24

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

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	\$0	\$0	\$0	\$0	\$0	\$0
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	336,076	0	0	336,076	160,825	175,251
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	115,884	226,235
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	1,600,534	0	0	1,600,534	1,402,030	198,504
320	Water Treatment Equipment	7,832	0	0	7,832	5,069	2,763
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	614,782	0	0	614,782	238,879	375,903
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	8,222,684	1,667,676	0	9,890,360	2,907,469	6,982,891
333	Services	983,646	6,782	0	990,428	580,245	410,183
334	Meters and Meter Installations	712,018	31,602	0	743,620	243,576	500,044
335	Hydrants	738,734	236,607	0	975,341	253,029	722,312
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	46,957	0	0	46,957	34,623	12,334
340	Office Furniture and Equipment	233	0	0	233	0	233
340.1	Computer & Software	4,997	0	0	4,997	2,733	2,264
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	396	42
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	3,500	0	3,500	88	3,412
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	\$13,667,318	\$1,946,167	\$0	\$15,613,485	\$5,961,234	\$9,652,251

Inscription Canyon Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/24

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	336,076	0	0	336,076	0	336,076	3.33%	11,103
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	342,119	0	0	342,119	0	342,119	3.33%	87,750
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	1,600,534	0	0	1,600,534	0	1,600,534	12.50%	28,000
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	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	614,782	0	0	614,782	0	614,782	2.22%	13,661
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	8,222,684	1,667,676	0	9,890,360	0	9,890,360	2.00%	198,258
333	Services	983,646	6,782	0	990,428	0	990,428	3.33%	32,900
334	Meters and Meter Installations	712,018	31,602	0	743,620	0	743,620	8.33%	60,180
335	Hydrants	738,734	236,607	0	975,341	0	975,341	2.00%	17,158
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	46,957	0	0	46,957	0	46,957	6.67%	2,976
340	Office Furniture and Equipment	233	0	0	233	0	233	0.00%	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	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	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	0.00%	0
345	Power Operated Equipment	0	3,500	0	3,500	0	3,500	0.00%	88
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	\$13,667,318	\$1,946,167	\$0	\$15,613,485	\$0	\$15,613,485		\$453,467

Contribution(s) in Aid of Construction (Gross)	\$8,304,070
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$8,304,070
Times: Proposed Amortization Rate	2.90%
Amortization of CIAC	\$241,178

Less: Amortization of CIAC \$241,178

DEPRECIATION EXPENSE **\$212,289**

Inscription Canyon Water Company
 Annual Report
 Balance Sheet Assets
 12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current and Accrued Assets			
131	Cash		\$479,105	\$362,573
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		32,830	44,800
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$511,935	\$407,373
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$13,667,318	\$15,613,485
103	Property Held for Future Use			
105	Construction Work in Progress			249,930
108	Accumulated Depreciation (enter as negative)*		(5,507,766)	(5,961,234)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$8,159,552	\$9,902,181
	Total Assets		\$8,671,487	\$10,309,554

*Note these items feed automatically from AR3 UPIS Page 4

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

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable		\$42,682	\$51,225
232	Notes Payable (Current Portion)		0	
234	Notes Payable to Associated Companies		0	
235	Customer Deposits		22,255	19,865
236	Accrued Taxes		0	
237	Accrued Interest		0	
242	Miscellaneous Current and Accrued Liabilities		0	
	Total Current Liabilities		\$64,937	\$71,090
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	
252	Advances in Aid of Construction		6,120,517	6,058,204
255	Accumulated Deferred Investment Tax Credits		0	
271	Contributions in Aid of Construction		6,399,787	8,304,070
272	Less: Amortization of Contributions		(1,993,685)	(2,234,863)
281	Accumulated Deferred Income Tax		0	
	Total Deferred Credits		\$10,526,619	\$12,127,411
	Total Liabilities		\$10,591,556	\$12,198,501
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		(1,920,069)	(1,888,947)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(\$1,920,069)	(\$1,888,947)
	Total Liabilities and Capital		\$8,671,487	\$10,309,554

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
12/31/24

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2024 - 12/31/2024	Last Year 01/01/2023 - 12/31/2023
	Operating Revenue		
461	Metered Water Revenue	\$803,439	\$744,734
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)	7,688	
471	Miscellaneous Service Revenues		
474	Other Water Revenue	6,184	9,830
	Total Revenues	\$817,311	\$754,564
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water	24,016	21,084
615	Purchased Power	173,077	149,399
618	Chemicals	3,665	4,528
620	Materials and Supplies		
620.1	Repairs and Maintenance	43,992	64,775
620.2	Office Supplies and Expense	11,494	12,419
630	Contractual Services		
631	Contractual Services - Engineering		35,245
632	Contractual Services - Accounting	56,239	54,582
633	Contractual Services - Legal	3,792	16,469
634	Contractual Services - Management Fees	201,124	189,339
635	Contractual Services - Water Testing	11,210	11,555
636	Contractual Services - Other	901	7,687
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	84	16
657	Insurance - General Liability	24,683	20,617
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	1,812	3,900
670	Bad Debt Expense		
675	Miscellaneous Expense		
403	Depreciation Expense (From Schedule AR4)	212,289	175,332
408	Taxes Other Than Income		
408.11	Property Taxes	18,706	18,663
409	Income Taxes		
427.1	Customer Security Deposit Interest	876	1,038
	Total Operating Expenses	\$787,959	\$786,648
	Operating Income / (Loss)	\$29,352	(\$32,084)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$25	\$803
421	Non-Utility Income	1,942	498
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$1,967	\$1,301
	Net Income / (Loss)	\$31,319	(\$30,783)

Inscription Canyon Water Company
Annual Report
Full time equivalent employees
12/31/24

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President			1.0	1.0
Vice-president			1.0	1.0
Manager			1.0	1.0
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
Total	0.0	0.0	9.0	9.0

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:	\$187,468
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Meter Deposits Refunded During the Test Year:	\$26,910
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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.

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Pump Motor Type **	Year Drilled	Water level	Water level	Meter Size (inches)	How measured :	Active
	2001				metered	Yes
	2002				Metered	Yes
	2001				Metered	Yes
					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
					N/A	N/A

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Estimated authorized use (5)	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
150,000.00	5327.35	29000
185,000.00	4782.89	24400
180,000.00	7977.17	37160
160,000.00	9127.25	40560
80,000.00	13921.91	81920
80,000.00	15304.33	95120
80,000.00	16305.36	101080
75,000.00	15139.56	93320

Water Utility Plant Description			
Name of the System:	INSCRIPTION CANYON - ICR SYSTEM		
ADEQ Public Water System Number:	AZ-13303		
ADWR PCC Number:	91-000687.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	ACP	400
6.00	ACP	18,000
8.00	ACP	140,000
10.00	ACP	15,000
12.00	ACP	15,000
16.00	ACP	1,200
NA	NA	

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	416	0%	0%
2	2	0%	0%
1	63	0%	0%
NA			
NA	481		

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

BOOSTER PUMPS		
Horsepower	GPM	Quantity
100		2
75		3
25		2

FIRE HYDRANTS	
Type	Quantity
Standard *	247
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
350,000		2	2005

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

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:	Chlorine Injection
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STRUCTURES:	2 Well buildings, 1 booster station, 2 storage tanks
--------------------	--

OTHER:	
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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:	Chlorine Injection
-----------------------------	--------------------

STRUCTURES:	3 Well buildings, 3 booster stations, 3 storage tanks
--------------------	---

OTHER:	
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Customer and Other Information	
Name of the System:	INSCRIPTION CANYON
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	463		1	5	
February	467		1	5	
March	467		1	5	
April	469		1	5	
May	469		1	5	
June	473		1	5	
July	477		1	5	
August	476		1	5	
September	479		1	5	
October	479		1	5	
November	482		1	5	
December	481		1	5	

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?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Customer and Other Information	
Name of the System:	ICR TALKING ROCK
ADEQ Public Water System Number:	AZ0413263
ADWR PCC Number:	91-000686.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	528		11	6	
February	538		11	6	
March	533		11	6	
April	540		11	6	
May	534		11	6	
June	538		11	6	
July	541		11	6	
August	538		11	6	
September	543		11	6	
October	543		11	6	
November	544		11	6	
December	543		11	6	

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?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Inscription Canyon Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/24

Utility Shutoffs / Disconnects	
Name of the System:	#REF!
ADEQ Public Water System Number:	#REF!
ADWR PCC Number:	#REF!

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January			
February			
March		3	
April			
May		1	
June			
July			
August		2	
September			
October			
November			
December			
Total	0	6	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.

#REF!

Inscription Canyon Water Company
Annual Report
Property Taxes
12/31/24

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2024 was	
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	\$18,685
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If no property taxes paid, explain why.

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.

#REF!

Verification and Certification (Taxes)

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

County of (county name):
Name (owner or official) title:
Company name:

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

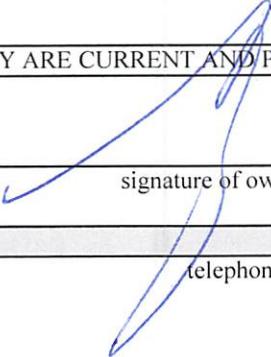
FOR THE YEAR ENDING: 12/31/24

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

telephone no.