

ANNUAL REPORT

Of

Company Name:

Naco Water Company, LLC

6808 N Dysart Rd Ste 116

Mailing Address:

Glendale AZ 85307

RECEIVED BY EMAIL

4/4/23, 3:06 PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

Docket No.: W-02860A

For the Year Ended:

12/31/22

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@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:

4/3/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Naco Water Company, LLC
A Class ☐ Utility

For the Calendar Year Ended: 12/31/22

Primary Address:

6808 N Dysart Rd Ste 116
City: Glendale State: Arizona Zip Code: 85307

Telephone Number:

623-935-1100

Date of Original Organization of Utility:

9/28/1994

Person to whom correspondence should be addressed concerning this report:

Name:

Bryan Thomas

Telephone No. :

623-935-1100

Address:

6808 N Dysart Rd Ste 116
City: Glendale State: Arizona Zip Code: 85307

Email: Bnthomas@hearthstonecompany.com

On-Site Manager
Name:

Mike Molina

Telephone No. :

520-623-5172

Address:

PO Box 85160
City: Tucson State: Arizona Zip Code: 85754

Email:

info@southwesternutility.com

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Ownership:

Limited Liability Company ("LLC")

Counties Served:

Cochise

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.
	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)
301	Organization	\$198	\$0	\$0	\$198	\$0	\$198
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	6,145	0	0	6,145	0	6,145
304	Structures and Improvements	15,406	0	0	15,406	3,729	11,677
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	485,442	0	0	485,442	184,760	300,682
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	290,070	1,849	0	291,919	272,164	19,755
320	Water Treatment Equipment	1,824	0	0	1,824	1,804	20
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	2,132	0	0	2,132	2,041	91
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	128,969	0	0	128,969	90,149	38,820
330.1	Storage Tanks	305,997	0	0	305,997	64,227	241,770
330.2	Pressure Tanks	15,471	0	0	15,471	7,094	8,377
331	Transmission and Distribution Mains	1,749,012	5,403	0	1,754,415	608,881	1,145,534
333	Services	380,152	0	0	380,152	184,799	195,353
334	Meters and Meter Installations	121,507	18,615	0	140,122	99,575	40,547
335	Hydrants	34,717	0	0	34,717	22,303	12,414
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	7,583	0	0	7,583	1,264	6,319
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	1,290	0	0	1,290	194	1,096
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$3,545,915	\$25,867	\$0	\$3,571,782	\$1,542,984	\$2,028,798

Naco Water Company, LLC
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/22

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	\$198	\$0	\$0	\$198	\$198	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,145	0	0	6,145	6,145	0	0.00%	0
304	Structures and Improvements	15,406	0	0	15,406	0	15,406	3.33%	513
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	485,442	0	0	485,442	0	485,442	3.33%	16,165
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	290,070	1,849	0	291,919	252,286	39,633	12.50%	4,839
320	Water Treatment Equipment	1,824	0	0	1,824	0	1,824	3.33%	61
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	2,132	0	0	2,132	1,223	909	20.00%	182
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	128,969	0	0	128,969	0	128,969	2.22%	2,863
330.1	Storage Tanks	305,997	0	0	305,997	0	305,997	2.22%	6,793
330.2	Pressure Tanks	15,471	0	0	15,471	0	15,471	5.00%	774
331	Transmission and Distribution Mains	1,749,012	5,403	0	1,754,415	0	1,754,415	2.00%	35,034
333	Services	380,152	0	0	380,152	0	380,152	3.33%	12,659
334	Meters and Meter Installations	121,507	18,615	0	140,122	88,843	51,279	8.33%	4,035
335	Hydrants	34,717	0	0	34,717	0	34,717	2.00%	694
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	7,583	0	0	7,583	0	7,583	6.67%	506
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	20.00%	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	1,290	0	0	1,290	0	1,290	10.00%	129
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	\$3,545,915	\$25,867	\$0	\$3,571,782	\$348,695	\$3,223,087		\$85,247

Contribution(s) in Aid of Construction (Gross)	\$1,231,971
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,231,971
Times: Proposed Amortization Rate	2.05%
Amortization of CIAC	\$25,256

Less: Amortization of CIAC **\$25,256**

DEPRECIATION EXPENSE **\$59,991**

Naco Water Company, LLC
Annual Report
Balance Sheet Assets
12/31/22

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current and Accrued Assets			
131	Cash		\$107,894	\$91,868
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		15,548	10,953
146	Notes Receivable from Associated Companies		7,684	(2,298)
151	Plant Material and Supplies		0	0
162	Prepayments		0	3,121
174	Miscellaneous Current and Accrued Assets		59,116	309,279
	Total Current and Accrued Assets		\$190,242	\$412,923
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$3,545,915	\$3,571,782
103	Property Held for Future Use		0	0
105	Construction Work in Progress		59,426	79,256
108	Accumulated Depreciation (enter as negative)*		(1,457,737)	(1,542,984)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$2,147,604	\$2,108,054
	Total Assets		\$2,337,846	\$2,520,977

*Note these items feed automatically from AR3 UPIS Page 4

Naco Water Company, LLC
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$2,501	\$5,250
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		15,332	14,335
236	Accrued Taxes		8,748	7,461
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		427	1,003
	Total Current Liabilities		\$27,008	\$28,049
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$730,728	\$697,070
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		68,910	52,604
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,231,971	1,231,971
272	Less: Amortization of Contributions		(253,121)	(278,376)
281	Accumulated Deferred Income Tax		89,228	44,193
	Total Deferred Credits		\$1,136,988	\$1,050,392
	Total Liabilities		\$1,894,724	\$1,775,511
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		204,824	204,824
215	Retained Earnings		238,298	540,642
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$443,122	\$745,466
	Total Liabilities and Capital		\$2,337,846	\$2,520,977

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

Naco Water Company, LLC
Annual Report
Water Comparative Income Statement
12/31/22

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2022 - 12/31/2022	Last Year 01/01/2021 - 12/31/2021
	Operating Revenue		
461	Metered Water Revenue	\$286,240	\$266,768
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	4,169	3,091
474	Other Water Revenue	0	0
	Total Revenues	\$290,409	\$269,859
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	15,762	14,385
618	Chemicals	1,014	238
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	6,678	6,609
620.2	Office Supplies and Expense	2,767	1,649
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	655	549
633	Contractual Services - Legal	2,156	3,550
634	Contractual Services - Management Fees	99,215	100,580
635	Contractual Services - Water Testing	3,576	1,891
636	Contractual Services - Other	25,280	13,288
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	7,920	7,920
657	Insurance - General Liability	3,667	2,053
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	(114)	1,950
675	Miscellaneous Expense	2,571	321
403	Depreciation Expense (From Schedule AR4)	59,991	62,803
408	Taxes Other Than Income	0	0
408.11	Property Taxes	12,417	14,982
409	Income Taxes	4,095	(2,058)
427.1	Customer Security Deposit Interest	275	518
	Total Operating Expenses	\$247,925	\$231,228
	Operating Income / (Loss)	\$42,484	\$38,631
	Other Income / (Expense)		
419	Interest and Dividend Income	\$8	\$250
421	Non-Utility Income	0	2,500
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(29,457)	(29,105)
	Total Other Income / (Expense)	(\$29,449)	(\$26,355)
	Net Income / (Loss)	\$13,035	\$12,276

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			unable to	0.0
Engineering Staff			determine	0.0
System Operator(s)			without	0.0
Meter reader			significant	0.0
Customer Service			analysis	0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

Naco Water Company, LLC
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/22

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	4/1/2008			
Source of Loan	WIFA			
ACC Decision No.	69393			
Reason for Loan	Improvements			
Dollar Amt. Issued	\$1,160,000			
Amount Outstanding	\$697,070			
Date of Maturity	9/1/2037			
Interest Rate	3.89%			
Current Year Interest	\$29,457			
Current Year Principal	\$33,658			

Meter Deposit Balance at Test Year End:	\$315
-----------------------------------------	-------

Meter Deposits Refunded During the Test Year:	\$0
-----------------------------------------------	-----

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.

Name of system water received from:	NACO WATER CO
ADWR PCC Number:	91-000043.0000
Source of water received:	Ground Water
Well registry 55# (55-XXXXXX):	55-551849 and 55-575700

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	220,740.00	132,831.00	0.00	0.00	0.00	\$317	2,715
February	247,550.00	149,693.00	0.00	0.00	0.00	302	2,413
March	239,220.00	193,791.00	0.00	0.00	0.00	299	2,431
April	214,870.00	242,741.00	0.00	0.00	0.00	325	2,615
May	242,470.00	229,548.00	0.00	0.00	0.00	316	2,607
June	220,990.00	203,154.00	0.00	0.00	0.00	329	2,595
July	161,070.00	161,564.00	0.00	0.00	0.00	312	2,457
August	230,559.00	221,825.00	0.00	0.00	0.00	320	2,297
September	274,190.00	188,855.00	0.00	0.00	0.00	337	2,691
October	203,590.00	140,803.00	0.00	0.00	0.00	354	2,787
November	263,830.00	232,840.00	0.00	0.00	0.00	272	2,037
December	138,150.00	110,200.00	0.00	0.00	0.00	304	2,039
Totals	2,657,229.00	2,207,845.00	0.00	0.00	0.00	\$3,785	29,684

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

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Well and Water Usage

[illegible]

Name of system water delivered to:	NACO WATER CO LLC-BISBEE		
ADWR PCC Number:	91-000075.0000		
Source of water delivered to another system	Ground Water		

Name of system water received from:		
ADWR PCC Number:	NA	
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)
January	1,312,461.00	613,377.00	33,400.00	0.00	0.00	\$1,314	3,760
February	1,879,284.00	1,181,310.00		0.00	0.00	906	3,255
March	1,648,256.00	1,057,233.00		0.00	0.00	860	3,674
April	1,702,102.00	1,203,060.00		0.00	0.00	951	4,212
May	2,015,063.00	1,376,419.00		0.00	0.00	1,086	4,298
June	2,206,519.00	1,717,848.00		0.00	0.00	1,237	4,884
July	1,764,350.00	1,313,957.00		0.00	0.00	997	3,772
August	1,977,387.00	1,311,363.00		0.00	0.00	930	3,378
September	1,763,966.00	1,335,814.00		0.00	0.00	952	3,496
October	1,616,992.00	1,157,416.00		0.00	0.00	989	3,572
November	1,615,487.00	1,374,426.00		0.00	0.00	880	3,460
December	1,670,252.00	1,544,090.00		0.00	0.00	883	3,478
Totals	21,172,119.00	15,186,313.00	33,400.00	0.00	0.00	\$11,984	45,239

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

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.

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.

#VALUE!

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:	NACO WATER CO LLC-BISBEE		
ADEQ Public Water System Number:	AZ0402112		
ADWR PCC Number:	91-000075.0000		

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed
PVC	20%	1968
Copper	20%	through
Black poly	60%	1999

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	25	2

FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
22,800	Steel	1	1999

PRESSURE/BLADDER TANKS

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
1,700	Steel	1	1999

* 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

Name of the System:	NACO WATER CO		
ADEQ Public Water System Number:	AZ0402024		
ADWR PCC Number:	91-000043.0000		

[illegible][illegible]

SERVICE LINES		
Material	Percent of system	Year installed
PVC	20%	1968
Copper	20%	through
Black poly	60%	1999

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	25	3
7.5	150	1
25	500	2

FIRE HYDRANTS	
Type	Quantity
Standard *	18
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	Steel	1	<2000
20,000	Steel	1	2012
55,000	Steel	1	<2000
101,500	Steel	1	2012

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
85	Steel/rubber	4	2014
2,100	Steel	1	2012
4,600	Steel	1	1999

* 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)

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

TREATMENT EQUIPMENT:	Chlorinator
STRUCTURES:	1,100 feet of 6 foot chain link fence
OTHER:	N/A

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:

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

ERC	113
Method used:	(a)

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	Two chlorinators
STRUCTURES:	1700 feet of 6 foot chain link fence, 6 x 6 foot chlorine shed
OTHER:	altitude valve in 4 x 6 foot vault

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 days.
- (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	150
Method used:	(a)

Customer and Other Information		
Name of the System:	NACO WATER CO LLC-BISBEE	
ADEQ Public Water System Number:	AZ0402112	
ADWR PCC Number:	91-000075.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	51	1	1	0	0
February	51	1	1	0	0
March	51	1	1	0	0
April	52	1	1	0	0
May	52	1	1	0	0
June	53	1	1	0	0
July	53	1	1	0	0
August	52	1	1	0	0
September	53	1	1	0	0
October	53	1	1	0	0
November	53	1	1	0	0
December	53	1	1	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 (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.

Customer and Other Information	
Name of the System:	NACO WATER CO
ADEQ Public Water System Number:	AZ0402024
ADWR PCC Number:	91-000043.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	237	0	21	0	0
February	239	0	21	0	0
March	236	0	21	0	0
April	235	0	21	0	0
May	233	0	21	0	0
June	236	0	21	0	0
July	238	0	21	0	0
August	238	0	21	0	0
September	237	0	21	0	0
October	238	0	21	0	0
November	238	0	21	0	0
December	235	0	21	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 (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 12b.

Naco Water Company, LLC
Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	NACO WATER CO LLC-BISBEE
ADEQ Public Water System Number:	AZ0402112
ADWR PCC Number:	91-000075.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	1	0
February	0	2	0
March	0	0	0
April	0	0	0
May	0	1	0
June	0	2	0
July	0	0	0
August	0	0	0
September	0	3	0
October	0	2	0
November	0	2	0
December	0	0	0
Total	0	13	0

Other (description):

NA

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.

Naco Water Company, LLC
Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	NACO WATER CO
ADEQ Public Water System Number:	AZ0402024
ADWR PCC Number:	91-000043.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	10	0
February	0	5	0
March	0	5	0
April	0	9	0
May	0	6	0
June	0	12	0
July	0	12	0
August	0	2	0
September	0	9	0
October	0	10	0
November	0	4	0
December	0	0	0
Total	0	84	0

Other (description):

NA

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.

Naco Water Company, LLC
Annual Report
Property Taxes
12/31/22

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2022 was

\$13,700

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.

Verification and Sworn Statement (Taxes)

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

County of (county name):

Maricopa

Name (owner or official) title:

Bryan Thomas, President

Company name:

Naco Water Company, LLC

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

FOR THE YEAR ENDING:

12/31/22

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.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

B/T

signature of owner/official

623-935-1100

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS

4th

DAY OF

Maricopa

(county name)

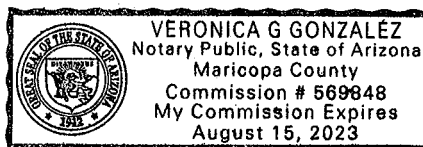
April 2023

(month) and (year)

MY COMMISSION EXPIRES

8/15/23

(date)



Veronica G. Gonzalez
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name):

Maricopa

Name (owner or official) title:

Bryan Thomas, President

Company name:

Naco Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/22

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.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$307,037

(The amount in the box above includes

\$16,628

in sales taxes
billed or collected)

B/T

signature of owner/official

623-935-1100

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS

4th

DAY OF

Maricopa

(county name)

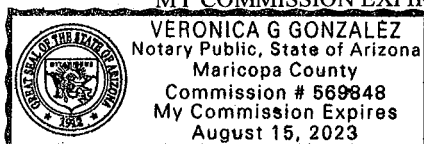
April 2023

(month) and (year)

MY COMMISSION EXPIRES

8/15/23

(date)



Veronica G. Gonzalez
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name):

Maricopa

Name (owner or official) title:

Bryan Thomas, President

Company name:

Naco Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/22

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.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$290,393

(The amount in the box above includes

\$12,792 in sales taxes

billed or collected)

BZ

signature of owner/official

623-935-1100

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Maricopa

(county name)

THIS

4th

DAY OF

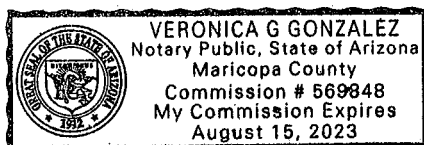
April 2023

(month) and (year)

MY COMMISSION EXPIRES

8/15/23

(date)



Veronica G. Gonzalez
(signature of notary public)

Gross-up Sharing Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Bryan Thomas, President
Company name: Naco Water Company, LLC

FOR THE YEAR ENDING: 12/31/22

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS NOT INCURRED NOR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

B/T
signature of owner/official

623-935-1100
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Maricopa
(county name)

THIS

4th

DAY OF

April 2023
(month) and (year)

MY COMMISSION EXPIRES

8/15/23
(date)



Veronica G. Gonzalez
(signature of notary public)