

ANNUAL REPORT

Of

Company Name: **Quail Creek Water Company**
9532 E. Riggs Rd.

Mailing Address: Sun Lakes AZ
85248

Docket No.: W-02514A
For the Year Ended: 12/31/23

**RECEIVED
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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: 5/3/2024

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Quail Creek Water Company
A Class Utility

For the Calendar Year Ended: 12/31/23

Primary Address:

9532 E Riggs Road			
City:	Sun Lakes	State:	Arizona
		Zip Code:	85428

Telephone Number:

480-895-9200

Date of Original Organization of Utility:

1989

Person to whom correspondence should be addressed concerning this report:

Name:

Brian Smith

Telephone No. :

480-895-9200

Address:

9532 E Riggs Road			
City:	Sun Lakes	State:	Arizona
		Zip Code:	85428

Email:

Brian.Smith@Robson.com

On-Site Manager

Name:

Ed MacMeans

Telephone No. :

520-825-3423

Address:

9532 E Riggs Road			
City:	Sun Lakes	State:	Arizona
		Zip Code:	85428

Email:

Ed.MacMeans@Robson.com

Regulatory and Management Contact

Name:

Brian Smith

Telephone No. :

480-895-4235

Address:

9532 E Riggs Road			
City:	Sun Lakes	State:	Arizona
		Zip Code:	85428

Email:

Brian.Smith@Robson.com

NA

Name:

NA

Telephone No. :

NA

Address:

NA			
City:	NA	State:	Arizona
		Zip Code:	NA

Email:

NA

NA

Name:

NA

Telephone No. :

NA

Address:

NA			
City:	NA	State:	Arizona
		Zip Code:	NA

Email:

NA

Ownership:

"C" Corporation

Counties Served:

Pima

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.
	NA

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.
	NA

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	\$37,295	\$0	\$0	\$37,295	\$0	\$37,295
302	Franchises	6,948	412	0	7,360	0	7,360
303	Land and Land Rights	92,895	0	0	92,895	0	92,895
304	Structures and Improvements	142,557	0	0	142,557	43,387	99,170
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	1,668,018	0	0	1,668,018	593,703	1,074,315
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	58,126	0	0	58,126	33,079	25,047
311	Pumping Equipment	1,615,573	26,121	12,000	1,629,694	1,629,694	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	1,175	0	0	1,175	(652)	1,827
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	867,622	0	0	867,622	640,155	227,467
330.2	Pressure Tanks	35,882	0	0	35,882	26,921	8,961
331	Transmission and Distribution Mains	4,816,608	308,263	0	5,124,871	2,157,077	2,967,794
333	Services	1,736,436	154,188	0	1,890,624	683,666	1,206,958
334	Meters and Meter Installations	558,222	141,251	46,686	652,787	190,184	462,603
335	Hydrants	861,334	49,518	0	910,852	303,420	607,432
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	2,211	0	0	2,211	1,057	1,154
340.1	Computer & Software	30,805	0	0	30,805	16,443	14,362
341	Transportation Equipment	54,635	0	0	54,635	54,635	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	11,930	1,340	1,971	11,299	2,240	9,059
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	12,700	0	0	12,700	1,587	11,113
346	Communication Equipment	92,888	0	0	92,888	55,567	37,321
347	Miscellaneous Equipment	1,955	0	0	1,955	1,571	384
348	Other Tangible Plant	1,056	0	0	1,056	1,056	0
	Totals	\$12,706,871	\$681,093	\$60,657	\$13,327,307	\$6,434,790	\$6,892,517

Quail Creek 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	\$37,295	\$0	\$0	\$37,295	\$37,295	\$0	0.00%	\$0
302	Franchises	6,948	412	0	7,360	6,948	412	0.00%	0
303	Land and Land Rights	92,895	0	0	92,895	92,895	0	0.00%	0
304	Structures and Improvements	142,557	0	0	142,557	0	142,557	3.33%	4,747
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	1,668,018	0	0	1,668,018	0	1,668,018	3.33%	55,545
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	58,126	0	0	58,126	0	58,126	5.00%	2,906
311	Pumping Equipment	1,615,573	26,121	12,000	1,629,694	0	1,629,694	12.50%	202,408
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	1,175	0	0	1,175	0	1,175	3.33%	39
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	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	867,622	0	0	867,622	0	867,622	2.22%	19,261
330.2	Pressure Tanks	35,882	0	0	35,882	0	35,882	5.00%	1,794
331	Transmission and Distribution Mains	4,816,608	308,263	0	5,124,871	0	5,124,871	2.00%	99,415
333	Services	1,736,436	154,188	0	1,890,624	0	1,890,624	3.33%	60,390
334	Meters and Meter Installations	558,222	141,251	46,686	652,787	0	652,787	8.30%	50,438
335	Hydrants	861,334	49,518	0	910,852	0	910,852	2.00%	17,722
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	6.67%	0
340	Office Furniture and Equipment	2,211	0	0	2,211	0	2,211	6.67%	147
340.1	Computer & Software	30,805	0	0	30,805	0	30,805	20.00%	5,124
341	Transportation Equipment	54,635	0	0	54,635	54,635	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	11,930	1,340	1,971	11,299	0	11,299	5.00%	581
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	12,700	0	0	12,700	0	12,700	5.00%	635
346	Communication Equipment	92,888	0	0	92,888	0	92,888	10.00%	9,808
347	Miscellaneous Equipment	1,955	0	0	1,955	0	1,955	10.00%	196
348	Other Tangible Plant	1,056	0	0	1,056	1,056	0	10.00%	0
	Subtotal	\$12,706,871	\$681,093	\$60,657	\$13,327,307	\$192,829	\$13,134,478		\$531,156

Contribution(s) in Aid of Construction (Gross)	\$820,205
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$820,205</u>
Times: Proposed Amortization Rate	4.04%
Amortization of CIAC	\$33,170

Less: Amortization of CIAC \$33,170

DEPRECIATION EXPENSE **\$497,986**

Quail Creek Water Company
Annual Report
Balance Sheet Assets
12/31/23

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current and Accrued Assets			
131	Cash		\$555,140	\$759,467
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		141,919	160,743
142	Other Receivables		0	0
145	Account Receivable - Related party		5,714	2,415
146	Notes Receivable from Associated Companies		3,744,989	4,058,488
151	Plant Material and Supplies		0	0
162	Prepayments		8,998	11,275
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$4,456,760	\$4,992,388
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$12,706,871	\$13,327,307
103	Property Held for Future Use		258,221	258,222
105	Construction Work in Progress		567	746
108	Accumulated Depreciation (enter as negative)*		(5,964,291)	(6,434,790)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$7,001,368	\$7,151,485
	Total Assets		\$11,458,128	\$12,143,873

*Note these items feed automatically from AR3 UPIS Page 4

Quail Creek Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current Liabilities			
231	Accounts Payable		\$32,869	\$20,824
232	Notes Payable (Current Portion)		0	0
233	Accounts Payable - Related Party		623,170	456,126
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		437,734	427,845
236	Accrued Taxes		78,563	262,750
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		14,877	18,351
	Total Current Liabilities		\$1,187,213	\$1,185,896
	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
253.1	Excess Accumulated Deferred Income Tax		324,974	305,493
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		820,205	820,205
272	Less: Amortization of Contributions		(578,174)	(611,344)
281	Accumulated Deferred Income Tax		778,780	784,809
	Total Deferred Credits		\$1,345,785	\$1,299,163
	Total Liabilities		\$2,532,998	\$2,485,059
	Capital Accounts			
201	Common Stock Issued		\$3,500	\$3,500
211	Other Paid-In Capital		3,195,896	3,195,896
215	Retained Earnings		5,725,734	6,459,418
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$8,925,130	\$9,658,814
	Total Liabilities and Capital		\$11,458,128	\$12,143,873

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

Quail Creek Water Company
Annual Report
Water Comparative Income Statement
12/31/23

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$1,743,456	\$1,626,018
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	20,015	22,396
	Total Revenues	\$1,763,471	\$1,648,414
	Operating Expenses		
601	Salaries and Wages	\$189,234	\$156,748
603	Salaries and Wages - Officers	\$9,733	\$9,734
604	Employee Pensions and Benefits	17,849	14,237
610	Purchased Water	0	0
615	Purchased Power	146,011	136,415
618	Chemicals	19,634	15,624
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	17,895	20,735
620.2	Office Supplies and Expense	35,906	31,620
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	1,206
632	Contractual Services - Accounting	1,130	965
633	Contractual Services - Legal	1,522	895
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	9,482	2,497
636	Contractual Services - Other	20,004	20,004
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	479
650	Transportation Expenses	13,678	16,557
656	Insurance - Vehicles	8,547	5,603
657	Insurance - General Liability	22,176	18,041
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	1,104	1,362
675	Miscellaneous Expense	6,533	4,131
403	Depreciation Expense (From Schedule AR4)	497,986	453,834
407.5	Amortization - EADIT	(19,480)	(19,480)
408	Taxes Other Than Income	8,137	9,674
408.11	Property Taxes	63,625	58,819
408.12	Payroll Taxes	8,437	8,619
409	Income Taxes	241,040	184,517
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$1,320,183	\$1,152,836
	Operating Income / (Loss)	\$443,288	\$495,578
	Other Income / (Expense)		
419	Interest and Dividend Income	\$289,228	\$88,054
421	Non-Utility Income	1,168	1,105
426	Miscellaneous Non-Utility (Expense)	0	(10)
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$290,396	\$89,149
	Net Income / (Loss)	\$733,684	\$584,727

Quail Creek Water Company
 Annual Report
 Full time equivalent employees
 12/31/23

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.2	0.0	0.2
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.8	1.3	0.0	2.1
Meter reader	0.1	0.0	0.0	0.1
Customer Service	0.2	0.0	0.0	0.2
Accounting	0.0	0.0	0.3	0.3
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.3	0.0	0.3
Other	0.0	0.0	0.0	0.0
Total	1.1	1.8	0.3	3.2

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:	\$427,845
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Meter Deposits Refunded During the Test Year:	\$65,780
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Well and Water Usage

Name of the System: QUAIL CREEK WATER COMPANY INC.											
ADEQ Public Water System Number: AZ0410262											
ADWR PCC Number: 91-000482.0000											
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
55-608597	75	300	459	16	Submersible	1952	unknown	321	8	Metered	Yes
55-608522	125	675	2,000	2	turbine	1974	unknown	313	8	Metered	Yes
55-219145	200	900	13,000	20	turbine	2011	unknown	357	8	Metered	Yes
55-608598	200	900	650	8.13	lineshaft	2020	unknown	388	8	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	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	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	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	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	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
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	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	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Name of system water delivered to:	QUEEN CREEK WATER COMPANY
ADWR PCC Number:	91-000194.0000
Source of water delivered to another system	NA

Name of system water received from:	QUEEN CREEK WATER COMPANY
ADWR PCC Number:	91-000194.0000
Source of water received	NA
Well registry 55# (55-XXXXXX):	NA

Month	Water withdrawn (gallons) ¹	Water sold (gallons) ²	Water delivered (sold) to other systems (gallons) ³	Water received (purchased) from other systems (gallons) ⁴	Estimated authorized use (gallons) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	17,233,000.00	17,082,875.00	0.00	0.00	0.00	\$9,189	51,063
February	15,989,000.00	13,169,553.00	0.00	0.00	0.00	8,692	46,930
March	14,705,000.00	14,644,436.00	0.00	0.00	0.00	8,531	53,314
April	20,766,000.00	20,418,345.00	0.00	0.00	0.00	10,660	61,322
May	20,857,000.00	18,615,113.00	0.00	0.00	17,000.00	12,576	68,934
June	24,403,000.00	21,915,377.00	0.00	0.00	0.00	13,161	72,995
July	24,832,000.00	24,104,705.00	0.00	0.00	0.00	13,881	70,476
August	24,087,000.00	20,468,446.00	0.00	0.00	0.00	12,143	63,161
September	21,696,000.00	19,399,867.00	0.00	0.00	0.00	14,587	68,528
October	21,220,000.00	20,776,693.00	0.00	0.00	0.00	13,532	64,868
November	22,125,000.00	18,032,679.00	0.00	0.00	200,000.00	15,306	75,602
December	24,059,000.00	18,747,379.00	0.00	0.00	0.00	12,079	63,404
Totals	251,972,000.00	227,375,468.00	0.00	0.00	217,000.00	\$144,339	760,598

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 November estimated authorized use - house fire. Water used by Green Valley Fire Department

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:	QUAIL CREEK WATER COMPANY INC.		
ADEQ Public Water System Number:		AZ0410262	
ADWR PCC Number:		91-000482.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
Sizes (inches)	Material	Length (feet)
4.00	PVC	360
6.00	PVC	55,993
6.00	ACP, DIP, PVC	441
8.00	PVC	94,461
8.00	ACP, DIP, PVC	12,488
12.00	PVC	22,114
16.00	PVC	500
21.00	PVC	4,225
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	3,002	25%	unknown
0.75	23	13%	unknown
1	246	19%	unknown
1.5	13	77%	unknown
2	18	72%	unknown
3	7	86%	unknown
4	1	100%	unknown
6	2	100%	unknown
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	
Copper	92%	1989	
Other	8%	1998	
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

BOOSTER PUMPS		
Horsepower	GPM	Quantity
20	575	3
40	1,000	1
NA	NA	NA
NA	NA	NA

FIRE HYDRANTS	
Type	Quantity
Standard *	325
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
750,000	Steel	1	2004
750,000	Steel	1	1989
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
18,000	Steel	1	2004
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

* 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 system
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STRUCTURES:	Fences, sound enclosure, storage container, chlorine building, shed
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OTHER:	Generators, golf carts, vehicles, trailers, Scada System, meter readers, pumps, misc tools
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Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	149
Method used:	(a)

Customer and Other Information	
Name of the System:	QUAIL CREEK WATER COMPANY INC.
ADEQ Public Water System Number:	AZ0410262
ADWR PCC Number:	91-000482.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	3,175	0	65	3	6
February	3,173	0	67	3	4
March	3,187	0	67	3	4
April	3,225	0	67	3	5
May	3,210	0	67	3	6
June	3,232	0	65	3	5
July	3,232	0	66	3	5
August	3,221	0	66	3	4
September	3,237	0	66	3	4
October	3,244	0	67	3	6
November	3,258	0	68	3	6
December	3,248	0	70	3	7

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.

Expansion to the north will include new well, 90' diameter tank, booster pumps and hydro pneumatic tank. Anticipated completion 2026.
 Unit 28 - 4040 LF 8" Main C900, 80 Services, 8 Hydrants Completed April 2023

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

Quail Creek Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	QUAIL CREEK WATER COMPANY INC.
ADEQ Public Water System Number:	AZ0410262
ADWR PCC Number:	91-000482.0000

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	1	0
April	0	3	0
May	0	9	0
June	0	6	0
July	0	2	0
August	0	2	0
September	0	1	0
October	0	1	0
November	0	1	0
December	0	1	0
Total	0	27	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.

Quail Creek Water Company
Annual Report
Property Taxes
12/31/23

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2023 was	
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\$61,222

If no property taxes paid, explain why.

NA

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Certification (Taxes)

Verification: State of 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: 12/31/23

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:



signature of owner/official

telephone no.