

ANNUAL REPORT

Of

Company Name: Sandario Water Company, Inc.

6808 N Dysart Rd Ste 116

Mailing Address: Glendale AZ 85307

Docket No.: W-01831A

For the Year Ended: 12/31/24

RECEIVED BY EMAIL

04/02/2025, 8:024 AM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

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: 3/28/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Sandario Water Company, Inc.
A Class Utility

For the Calendar Year Ended:

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:

On-Site Manager

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:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Sandario Water Company, Inc.

Important changes during the year
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No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	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	\$650	\$0	\$0	\$650	\$0	\$650
302	Franchises	450	0	0	450	0	450
303	Land and Land Rights	1,850	0	0	1,850	0	1,850
304	Structures and Improvements	24,301	0	0	24,301	23,707	594
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	80,963	0	0	80,963	55,312	25,651
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	218,263	45,013	0	263,276	212,803	50,473
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	4,028	0	0	4,028	4,029	(1)
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	33,307	0	0	33,307	33,307	0
330.1	Storage Tanks	14,551	0	0	14,551	14,453	98
330.2	Pressure Tanks	16,702	0	0	16,702	11,911	4,791
331	Transmission and Distribution Mains	671,527	8,416	0	679,943	520,159	159,784
333	Services	74,809	5,265	0	80,074	54,826	25,248
334	Meters and Meter Installations	106,039	2,156	0	108,195	61,259	46,936
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	35,299	0	0	35,299	15,738	19,561
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	4,091	404	0	4,495	1,450	3,045
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,286,830	\$61,254	\$0	\$1,348,084	\$1,008,954	\$339,130

Sandario Water Company, Inc.
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	\$650	\$0	\$0	\$650	\$650	\$0	0.00%	\$0
302	Franchises	450	0	0	450	450	0	0.00%	0
303	Land and Land Rights	1,850	0	0	1,850	1,850	0	0.00%	0
304	Structures and Improvements	24,301	0	0	24,301	22,193	2,108	3.33%	70
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	80,963	0	0	80,963	32,542	48,421	3.33%	910
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	218,263	45,013	0	263,276	161,422	101,854	12.50%	12,557
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	4,028	0	0	4,028	4,029	(1)	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	33,307	0	0	33,307	33,307	0	2.22%	0
330.1	Storage Tanks	14,551	0	0	14,551	0	14,551	2.22%	323
330.2	Pressure Tanks	16,702	0	0	16,702	0	16,702	5.00%	835
331	Transmission and Distribution Mains	671,527	8,416	0	679,943	248,437	431,506	2.00%	8,546
333	Services	74,809	5,265	0	80,074	15,679	64,395	3.33%	2,057
334	Meters and Meter Installations	106,039	2,156	0	108,195	0	108,195	8.33%	8,923
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	35,299	0	0	35,299	0	35,299	6.67%	2,354
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	0.00%	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	4,091	404	0	4,495	0	4,495	10.00%	428
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	\$1,286,830	\$61,254	\$0	\$1,348,084	\$520,559	\$827,525		\$37,004

Contribution(s) in Aid of Construction (Gross)	\$460,927
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	94,979
Amortizable Contribution(s)	\$365,948
Times: Proposed Amortization Rate	5.05%
Amortization of CIAC	\$18,480

Less: Amortization of CIAC **\$18,480**

DEPRECIATION EXPENSE \$18,524

Sandario Water Company, Inc.
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		\$38,742	\$27,855
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		9,691	2,005
146	Notes Receivable from Associated Companies		(12,181)	(28,127)
151	Plant Material and Supplies		0	0
162	Prepayments		1,895	3,404
174	Miscellaneous Current and Accrued Assets		10,903	11,232
	Total Current and Accrued Assets		\$49,050	\$16,369
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,286,830	\$1,348,084
103	Property Held for Future Use		0	0
105	Construction Work in Progress		4,296	5,496
108	Accumulated Depreciation (enter as negative)*		(971,951)	(1,008,954)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$319,175	\$344,626
	Total Assets		\$368,225	\$360,995

*Note these items feed automatically from AR3 UPIS Page 4

Sandario Water Company, Inc.
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		\$11,076	\$13,933
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		(5,893)	(30,177)
235	Customer Deposits		12,420	8,771
236	Accrued Taxes		6,914	6,728
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		365	235
	Total Current Liabilities		\$24,882	(\$510)
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$100,386	\$95,609
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		119,628	119,926
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		460,927	460,927
272	Less: Amortization of Contributions		(357,808)	(376,288)
281	Accumulated Deferred Income Tax		2,775	1,023
	Total Deferred Credits		\$225,522	\$205,588
	Total Liabilites		\$350,790	\$300,687
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		3,208	3,208
215	Retained Earnings		14,227	57,100
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$17,435	\$60,308
	Total Liabilities and Capital		\$368,225	\$360,995

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

Sandario Water Company, Inc.
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	\$202,947	\$194,599
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	10,853	11,589
471	Miscellaneous Service Revenues	3,835	5,417
474	Other Water Revenue	0	0
	Total Revenues	\$217,635	\$211,605
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	500
615	Purchased Power	19,047	20,864
618	Chemicals	2,177	558
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	18,689	2,475
620.2	Office Supplies and Expense	0	6,019
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	900	700
633	Contractual Services - Legal	35	58
634	Contractual Services - Management Fees	76,034	91,019
635	Contractual Services - Water Testing	2,670	3,855
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	510	3,305
657	Insurance - General Liability	3,521	3,418
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	1,320	250
675	Miscellaneous Expense	1,879	3,209
403	Depreciation Expense (From Schedule AR4)	18,524	13,186
408	Taxes Other Than Income	0	0
408.11	Property Taxes	11,495	11,651
409	Income Taxes	14,194	11,319
427.1	Customer Security Deposit Interest	344	196
	Total Operating Expenses	\$171,339	\$172,582
	Operating Income / (Loss)	\$46,296	\$39,023
	Other Income / (Expense)		
419	Interest and Dividend Income	\$945	\$1,029
421	Non-Utility Income	1,248	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(5,616)	(5,864)
	Total Other Income / (Expense)	(\$3,423)	(\$4,835)
	Net Income / (Loss)	\$42,873	\$34,188

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

Sandario Water Company, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/24

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	6/30/2017			
Source of Loan	CoBank			
ACC Decision No.	76071			
Reason for Loan	Improvements			
Dollar Amt. Issued	\$123,793			
Amount Outstanding	\$95,609			
Date of Maturity	1/20/2038			
Interest Rate	5.61%			
Current Year Interest	\$5,617			
Current Year Principal	\$4,777			

Meter Deposit Balance at Test Year End:	\$12,978
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Meter Deposits Refunded During the Test Year:	\$1,092
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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

[illegible]

Name of system water delivered to:		
<u>ADWR PCC Number:</u>		NA
Source of water delivered to another system		

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 ⁷ (kWh)
January	1,449,251.00	2,262,956.00	0.00	0.00	0.00	\$1,314	7,537
February	1,509,451.00	1,750,490.00	0.00	0.00	0.00	1,134	6,413
March	1,387,107.00	1,847,558.00	0.00	0.00	0.00	997	7,547
April	1,433,564.00	1,913,890.00	0.00	0.00	0.00	1,619	9,445
May	2,374,449.00	3,086,706.00	0.00	0.00	0.00	2,037	12,040
June	3,354,463.00	3,418,739.00	0.00	0.00	0.00	2,260	13,428
July	3,448,640.00	4,405,640.00	0.00	0.00	0.00	2,261	13,433
August	3,475,666.00	3,204,510.00	0.00	0.00	0.00	1,683	9,834
September	3,720,778.00	3,462,307.00	0.00	0.00	0.00	1,927	11,348
October	3,937,012.00	3,282,560.00	0.00	0.00	0.00	1,853	10,888
November	3,387,374.00	3,559,390.00	0.00	0.00	0.00	1,616	9,416
December	2,427,346.00	2,180,392.00	0.00	0.00	0.00	1,422	7,944
Totals	31,905,101.00	34,375,138.00	0.00	0.00	0.00	\$20,124	119,273

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

200,000 gallons flushing

- | | |
|---|---|
| 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:		SANDARIO WATER CO.	
ADEQ Public Water System Number:		AZ0410093	
ADWR PCC Number:		91-000434.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Galvanized	660
2.00	PVC	710
3.00	AC/PVC	4,530
3.00	PVC	330
4.00	AC/PVC	7,308
4.00	PVC	5,864
6.00	AC/PVC	20,535
6.00	PVC	18,123

SERVICE LINES		
Material	Percent of system	Year installed
PVC	80%	1970
Copper	10%	2014-16
Black poly	10%	1970

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	100	1
10	200	2
15	300	2

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
12,000	Steel	4	1989
20,000	Steel	1	2003

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	337	12%	8%
0.75	4	25%	0%
1	5	0%	80%
1.5	2	50%	50%

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
2,000	Steel	1	1970
5,000	Steel	1	1970
90	Steel/rubber	2	2012

* 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:	2 chlorinators
STRUCTURES:	700 feet of 6 foot tall chain link fence, 12 x 12 foot booster station
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	265
Method used:	(a)

Customer and Other Information		
Name of the System:	SANDARIO WATER CO.	
ADEQ Public Water System Number:	AZ0410093	
ADWR PCC Number:	91-000434.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	340		2		0
February	339		2		0
March	343		2		0
April	342		2		0
May	344		2		0
June	345		2		0
July	343		2		0
August	347		2		0
September	346		2		0
October	346		2		0
November	348		2		0
December	346		2		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.

Sandario Water Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/24

Utility Shutoffs / Disconnects	
Name of the System:	SANDARIO WATER CO.
ADEQ Public Water System Number:	AZ0410093
ADWR PCC Number:	91-000434.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	1	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	1	0
June	0	2	0
July	0	2	0
August	0	2	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	8	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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2024 was
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\$11,572

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: Sandario Water Company, Inc.

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.

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.

Bryan Thomas
signature of owner/official

623-219-4740
telephone no.