

ANNUAL REPORT

Of

Company Name:

6808 N Dysart Rd Ste 116

Mailing Address:

Docket No.:

For the Year Ended:

RECEIVED BY EMAIL

4/10/2024, 2:12 PM

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:

Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Tierra Buena 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:

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. N/A
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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
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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	0	0	0	0	0	0
303	Land and Land Rights	3,620	0	0	3,620	0	3,620
304	Structures and Improvements	34,116	0	0	34,116	6,675	27,441
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	132,873	0	0	132,873	95,017	37,856
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	298,745	0	0	298,745	177,101	121,644
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	428,905	0	0	428,905	64,448	364,457
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	131,596	0	0	131,596	127,237	4,359
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	278,223	0	0	278,223	228,997	49,226
333	Services	27,504	0	0	27,504	9,126	18,378
334	Meters and Meter Installations	37,648	0	0	37,648	25,608	12,040
335	Hydrants	2,894	500	0	3,394	92	3,302
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	35,916	0	0	35,916	9,870	26,046
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	6,177	0	0	6,177	6,177	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	1,250	0	0	1,250	567	683
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	884	0	0	884	884	0
	Totals	\$1,420,351	\$500	\$0	\$1,420,851	\$751,799	\$669,052

Tierra Buena Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/23

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	3,620	0	0	3,620	3,620	0	0.00%	0
304	Structures and Improvements	34,116	0	0	34,116	0	34,116	3.33%	1,136
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	132,873	0	0	132,873	84,928	47,945	3.33%	1,597
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	298,745	0	0	298,745	20,350	278,395	12.50%	34,799
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	428,905	0	0	428,905	0	428,905	3.33%	14,284
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	131,596	0	0	131,596	126,751	4,845	2.22%	967
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	278,223	0	0	278,223	220,508	57,715	2.00%	1,155
333	Services	27,504	0	0	27,504	0	27,504	3.33%	916
334	Meters and Meter Installations	37,648	0	0	37,648	16,038	21,610	8.33%	2,004
335	Hydrants	2,894	500	0	3,394	0	3,394	2.00%	63
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	35,916	0	0	35,916	0	35,916	6.67%	2,396
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	6,177	0	0	6,177	6,177	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	1,250	0	0	1,250	0	1,250	5.00%	63
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	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	884	0	0	884	884	0	3.33%	0
	Subtotal	\$1,420,351	\$500	\$0	\$1,420,851	\$479,256	\$941,595		\$59,379

Contribution(s) in Aid of Construction (Gross)	\$367,499
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$367,499
Times: Proposed Amortization Rate	3.03%
Amortization of CIAC	\$11,125

Less: Amortization of CIAC \$11,125

DEPRECIATION EXPENSE **\$48,254**

Tierra Buena Water Company, Inc.
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		\$12,598	\$43,615
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		17,945	13,961
146	Notes Receivable from Associated Companies		(1,091)	(9)
151	Plant Material and Supplies		0	0
162	Prepayments		2,627	2,175
174	Miscellaneous Current and Accrued Assets		140,598	157,161
	Total Current and Accrued Assets		\$172,677	\$216,903
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,420,351	\$1,420,851
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(692,420)	(751,799)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$727,931	\$669,052
	Total Assets		\$900,608	\$885,955

*Note these items feed automatically from AR3 UPIS Page 4

Tierra Buena Water Company, Inc.
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		\$3,753	\$806
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		17,827	33,178
235	Customer Deposits		0	0
236	Accrued Taxes		4,161	4,487
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$25,741	\$38,471
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$694,113	\$659,084
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		367,499	367,499
272	Less: Amortization of Contributions		(112,103)	(123,228)
281	Accumulated Deferred Income Tax		(2,050)	6,542
	Total Deferred Credits		\$253,346	\$250,813
	Total Liabilites		\$973,200	\$948,368
	Capital Accounts			
201	Common Stock Issued		\$500	\$500
211	Other Paid-In Capital		71,150	71,150
215	Retained Earnings		(144,242)	(134,063)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		(\$72,592)	(\$62,413)
	Total Liabilities and Capital		\$900,608	\$885,955

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

Tierra Buena Water Company, Inc.
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	\$215,726	\$220,335
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	2,135	2,408
474	Other Water Revenue	0	0
	Total Revenues	\$217,861	\$222,743
	Operating Expenses		
601	Salaries and Wages	\$26,365	\$52,969
604	Employee Pensions and Benefits	1,836	1,054
610	Purchased Water	0	0
615	Purchased Power	12,702	10,600
618	Chemicals	4,626	2,480
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	560	280
620.2	Office Supplies and Expense	3,241	2,821
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	705
633	Contractual Services - Legal	1,819	0
634	Contractual Services - Management Fees	33,285	20,400
635	Contractual Services - Water Testing	2,433	2,458
636	Contractual Services - Other	3,201	2,548
640	Rents	0	0
641	Rental of Building/Real Property	2,412	2,664
642	Rental of Equipment	0	0
650	Transportation Expenses	2,664	2,271
657	Insurance - General Liability	4,435	3,675
657.1	Insurance - Health and Life	3,522	7,398
665	Regulatory Commission Expense - Rate	4,486	8,661
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	6,482	4,697
403	Depreciation Expense (From Schedule AR4)	48,254	51,102
408	Taxes Other Than Income	2,111	3,565
408.11	Property Taxes	7,269	6,700
409	Income Taxes	3,392	260
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$175,095	\$187,308
	Operating Income / (Loss)	\$42,766	\$35,435
	Other Income / (Expense)		
419	Interest and Dividend Income	\$824	\$1
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(33,410)	(35,079)
	Total Other Income / (Expense)	(\$32,586)	(\$35,078)
	Net Income / (Loss)	\$10,180	\$357

Tierra Buena Water Company, Inc.
 Annual Report
 Full time equivalent employees
 12/31/23

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

Tierra Buena Water Company, Inc.
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/23

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	4/28/2016	8/11/2017	1/0/1900	1/0/1900
Source of Loan	WIFA	WIFA	0	0
ACC Decision No.	75292	75292	0	0
Reason for Loan	Tie-Line, Well Rel	ATF	0	0
Dollar Amt. Issued	\$210,891	\$638,985	\$0	\$0
Amount Outstanding	\$153,795	\$505,288	\$0	\$0
Date of Maturity	4/1/2036	8/1/2037	1/0/1900	1/0/1900
Interest Rate	4.68%	5.00%	0.00%	0.00%
Current Year Interest	\$7,431	\$25,979	\$0	\$0
Current Year Principal	\$9,218	\$25,812	\$0	\$0

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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<i>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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.</i>

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:	An arsenic treatment facility and 50 gallon liquid chlorinator with pulse feed PD pump.
STRUCTURES:	N/A
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	662
Method used:	(a)

Customer and Other Information	
Name of the System:	TIERRA BUENA WATER CO.
ADEQ Public Water System Number:	AZ0407073
ADWR PCC Number:	91-000211.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	126	0	0	1	0
February	126	0	0	1	0
March	126	0	0	1	0
April	126	0	0	1	0
May	126	0	0	1	0
June	126	0	0	1	0
July	126	0	0	1	0
August	126	0	0	1	0
September	126	0	0	1	0
October	126	0	0	1	0
November	126	0	0	1	0
December	126	0	0	1	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.

Tierra Buena Water Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	TIERRA BUENA WATER CO.
ADEQ Public Water System Number:	AZ0407073
ADWR PCC Number:	91-000211.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	1	0
March	0	2	0
April	0	0	0
May	0	1	0
June	0	0	0
July	0	1	0
August	0	1	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	1	0
Total	0	7	0

Other (description): N/A

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 2023 was	
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	\$6,984
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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: Tierra Buena Water Company, Inc.

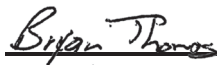
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/23

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.

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.



signature of owner/official

623-935-1100

telephone no.