

ANNUAL REPORT

Of

Company Name: **Tierra Linda Water Company, Inc.**
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-20810A
For the Year Ended: 12/31/23

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: 6/20/2024

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

For the Calendar Year Ended: 12/31/23

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

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	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	54,360	9,048	0	63,408	28,123	35,285
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	32,054	0	0	32,054	18,678	13,376
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	190,771	0	0	190,771	190,771	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	191,045	131,915	0	322,960	70,046	252,914
320.2	Solution Chemical Feeders	20,750	0	0	20,750	18,158	2,592
320.3	Point-of-Use Treatment Devices	490,046	0	0	490,046	172,216	317,830
330	Distribution Reservoirs and Standpipes	39,740	0	0	39,740	21,376	18,364
330.1	Storage Tanks	11,982	0	0	11,982	11,982	0
330.2	Pressure Tanks	59,819	0	0	59,819	20,936	38,883
331	Transmission and Distribution Mains	0	0	0	0	0	0
333	Services	4,225	8,521	0	12,746	4,509	8,237
334	Meters and Meter Installations	0	3,272	0	3,272	82	3,190
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	403	0	403	13	390
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	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	\$1,094,792	\$153,159	\$0	\$1,247,951	\$556,890	\$691,061

Tierra Linda 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	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	54,360	9,048	0	63,408	0	63,408	3.33%	1,961
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	32,054	0	0	32,054	0	32,054	3.33%	1,067
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	190,771	0	0	190,771	187,025	3,746	12.50%	2,501
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	191,045	131,915	0	322,960	0	322,960	2.22%	5,705
320.2	Solution Chemical Feeders	20,750	0	0	20,750	0	20,750	5.00%	1,038
320.3	Point-of-Use Treatment Devices	490,046	0	0	490,046	0	490,046	2.00%	9,801
330	Distribution Reservoirs and Standpipes	39,740	0	0	39,740	0	39,740	3.33%	1,323
330.1	Storage Tanks	11,982	0	0	11,982	9,279	2,703	8.33%	472
330.2	Pressure Tanks	59,819	0	0	59,819	0	59,819	2.00%	1,196
331	Transmission and Distribution Mains	0	0	0	0	0	0	0.00%	0
333	Services	4,225	8,521	0	12,746	4,225	8,521	6.67%	284
334	Meters and Meter Installations	0	3,272	0	3,272	0	3,272	5.00%	82
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	0	403	0	403	0	403	6.67%	13
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	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	\$1,094,792	\$153,159	\$0	\$1,247,951	\$200,529	\$1,047,422		\$25,444

Contribution(s) in Aid of Construction (Gross)	\$727,448
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$727,448
Times: Proposed Amortization Rate	2.22%
Amortization of CIAC	\$16,149

Less: Amortization of CIAC \$16,149

DEPRECIATION EXPENSE **\$9,295**

Tierra Linda 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		\$28,351	(\$24,752)
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		8,436	11,231
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		34,627	35,009
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$71,414	\$21,488
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,094,792	\$1,247,951
103	Property Held for Future Use		0	0
105	Construction Work in Progress		27,454	43,908
108	Accumulated Depreciation (enter as negative)*		(531,447)	(556,890)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$590,799	\$734,969
	Total Assets		\$662,213	\$756,457

*Note these items feed automatically from AR3 UPIS Page 4

Tierra Linda 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		\$63,862	\$10,848
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		5,000	5,000
235	Customer Deposits		50	50
236	Accrued Taxes		566	634
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		(652)	(514)
	Total Current Liabilities		\$68,826	\$16,018
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$135,735
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		18,188	19,628
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		727,448	727,449
272	Less: Amortization of Contributions		(112,354)	(128,503)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$633,282	\$618,574
	Total Liabilities		\$702,108	\$770,327
	Capital Accounts			
201	Common Stock Issued		\$10,000	\$10,000
211	Other Paid-In Capital		164,693	184,693
215	Retained Earnings		(214,588)	(208,564)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		(\$39,895)	(\$13,871)
	Total Liabilities and Capital		\$662,213	\$756,456

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

Tierra Linda 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	\$106,593	\$103,660
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	746	495
	Total Revenues	\$107,339	\$104,155
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	10,078	8,900
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	11,037	29,314
620.2	Office Supplies and Expense	228	87
630	Contractual Services	6,590	700
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	2,075	1,936
633	Contractual Services - Legal	6,676	0
634	Contractual Services - Management Fees	39,100	59,000
635	Contractual Services - Water Testing	1,077	1,122
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	0	2,747
657	Insurance - General Liability	8,497	0
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	2,501	833
670	Bad Debt Expense	0	23
675	Miscellaneous Expense	206	196
403	Depreciation Expense (From Schedule AR4)	9,295	4,779
408	Taxes Other Than Income	0	34
408.11	Property Taxes	4,032	3,423
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$101,392	\$113,094
	Operating Income / (Loss)	\$5,947	(\$8,939)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	77	68
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$77	\$68
	Net Income / (Loss)	\$6,024	(\$8,871)

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

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.5	0.0	0.0	0.5
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.3	0.3
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	1.0	1.0
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.3	0.3
Accounting	0.0	0.0	0.1	0.1
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	0.5	0.0	1.7	2.2

Tierra Linda 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	na	na	na	na
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	na	na	na	na
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$7,268
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Meter Deposits Refunded During the Test Year:	\$0
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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:		TIERRA LINDA HOA WC									
ADEQ Public Water System Number:		AZ0410411									
ADWR PCC Number:		91-000514.0000									
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
55-801582	25	200	458	12	submersible	2004	287	285	6	Metered	Yes

Name of system water delivered to	
ADWR PCC Number	na
Source of water delivered to another system	NA
Name of system water received from	
ADWR PCC Number	NA
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	1,001,000.00	729,350.00	0.00	0.00	0.00	5633	3,623
February	1,212,000.00	839,400.00	0.00	0.00	0.00	663	3,760
March	803,000.00	586,790.00	0.00	0.00	0.00	581	3,560
April	1,101,000.00	901,890.00	0.00	0.00	0.00	717	3,877
May	1,231,000.00	929,360.00	0.00	0.00	0.00	708	4,855
June	1,559,000.00	1,181,010.00	0.00	0.00	0.00	776	4,355
July	1,475,000.00	1,236,831.00	0.00	0.00	0.00	830	3,486
August	1,343,000.00	1,111,440.00	0.00	0.00	0.00	909	3,966
September	1,561,000.00	1,129,700.00	0.00	0.00	0.00	1,788	11,011
October	1,469,000.00	964,140.00	0.00	0.00	0.00	905	3,901
November	1,695,000.00	103,400.00	0.00	0.00	0.00	925	4,100
December	1,679,660.00	885,090.00	0.00	0.00	0.00	643	3,599
Totals	16,129,660.00	10,598,401.00	0.00	0.00	0.00	\$10,078	54,093

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

- 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:	TIERRA LINDA HOA WC
ADEQ Public Water System Number:	AZ0410411
ADWR PCC Number:	91-000514.0000

MAINS		
Sizes (inches)	Material	Length (feet)
3.00	PVC	1,000
5.00	PVC	6,922
10.00	PVC	1,520

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	67	62%	71%
0.75	42	5%	10%
1	1	0%	0%
2	2	0%	100%

SERVICE LINES			
Material	Percent of system	Year installed	
HDPE	93%	2005	
Copper	7%	2011	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
10	100	2	
50	500	1	

FIRE HYDRANTS	
Type	Quantity
Standard *	24
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
280,000	STEEL	1	2005

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	STEEL	1	2005

* 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:	CHLORINATOR
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STRUCTURES:	8X24 FT CONEX ON CONCRETE PAD
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OTHER:	NA
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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

266

 Method used:

(a)

Customer and Other Information	
Name of the System:	TIERRA LINDA HOA WC
ADEQ Public Water System Number:	AZ0410411
ADWR PCC Number:	91-000514.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	109	0	0	0	0
February	109	0	0	0	0
March	109	0	0	0	0
April	109	0	0	0	0
May	109	0	0	0	0
June	109	0	0	0	0
July	109	0	0	0	0
August	109	0	0	0	0
September	109	0	0	0	0
October	109	0	0	0	0
November	109	0	0	0	0
December	109	0	0	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.

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

Utility Shutoffs / Disconnects	
Name of the System:	TIERRA LINDA HOA WC
ADEQ Public Water System Number:	AZ0410411
ADWR PCC Number:	91-000514.0000

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	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

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.

Tierra Linda Water Company, Inc.
Annual Report
Property Taxes
12/31/23

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2023 was	\$4,032

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 Certification (Taxes)

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

County of (county name): Cochise
Name (owner or official) title: DUSTIN DESPAIN
Company name: Tierra Linda Water Company, Inc.

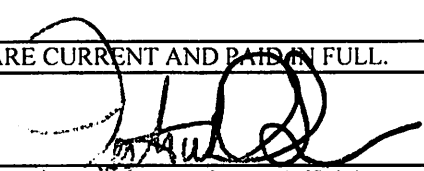
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

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.

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

520-265-5350
telephone no.