

ANNUAL REPORT

Of

Company Name: **Tonto Creek Water Company, LLC**
3802 North 53rd Ave, Suite 140

Mailing Address: Phoenix AZ
85031

RECEIVED BY EMAIL
3/22/2024, 1:18 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Docket No.: W-20682A
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: **3/22/2024**

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Tonto Creek Water Company, LLC
A Class Utility

For the Calendar Year Ended: 12/31/23

Primary Address:

3802 N 53rd Avenue, Suite 140			
City:	Phoenix	State:	Arizona
Zip Code:	85031		

Telephone Number:

(623) 691-0567 x104

Date of Original Organization of Utility:

4/21/2009

Person to whom correspondence should be addressed concerning this report:

Name:

Amanda Brown

Telephone No. :

(623) 691-0567 x104

Address:

3802 N 53rd Avenue, Suite 140			
City:	Phoenix	State:	Arizona
Zip Code:	85031		

Email:

amanda@asamgmt.com

Management Contact

Name:

Richard Cook

Telephone No. :

(623) 691-0567 x104

Address:

3802 N 53rd Avenue, Suite 140			
City:	Phoenix	State:	Arizona
Zip Code:	85031		

Email:

ricook012@gmail.com

[Redacted]			
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Name:

[Redacted]

Telephone No. :

[Redacted]

Address:

[Redacted]			
City:	[Redacted]	State:	[Redacted]
Zip Code:	[Redacted]		

Email:

[Redacted]

[Redacted]			
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Name:

[Redacted]

Telephone No. :

[Redacted]

Address:

[Redacted]			
City:	[Redacted]	State:	[Redacted]
Zip Code:	[Redacted]		

Email:

[Redacted]

[Redacted]			
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Name:

[Redacted]

Telephone No. :

[Redacted]

Address:

[Redacted]			
City:	[Redacted]	State:	[Redacted]
Zip Code:	[Redacted]		

Email:

[Redacted]

Ownership:

Limited Liability Company ("LLC")

Counties Served:

Gila

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	\$400	\$0	\$0	\$400	\$0	\$400
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	11,180	0	0	11,180	6,812	4,368
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	22,500	0	0	22,500	22,500	0
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	17,938	0	0	17,938	10,228	7,710
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	500	0	500	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	11,893	0	0	11,893	11,893	0
330.2	Pressure Tanks	13,161	0	0	13,161	11,764	1,397
331	Transmission and Distribution Mains	2,402	0	0	2,402	2,402	0
333	Services	11,710	1,500	0	13,210	11,075	2,135
334	Meters and Meter Installations	4,991	0	0	4,991	4,474	517
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	0	0	0	0	0
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	661	0	0	661	660	1
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	820	0	0	820	123	697
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$98,156	\$1,500	\$500	\$99,156	\$81,931	\$17,225

Tonto Creek Water Company, LLC
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	\$400	\$0	\$0	\$400	\$400	\$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	11,180	0	0	11,180	4,000	7,180	3.33%	239
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	22,500	0	0	22,500	22,500	0	3.33%	0
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	0	0	0	0	0	0	5.00%	0
311	Pumping Equipment	17,938	0	0	17,938	5,562	12,376	12.50%	1,547
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	500	0	500	0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	10.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	11,893	0	0	11,893	11,893	0	2.22%	0
330.2	Pressure Tanks	13,161	0	0	13,161	11,468	1,693	5.00%	85
331	Transmission and Distribution Mains	2,402	0	0	2,402	2,402	0	2.00%	0
333	Services	11,710	1,500	0	13,210	0	13,210	3.33%	415
334	Meters and Meter Installations	4,991	0	0	4,991	4,381	610	8.33%	51
335	Hydrants	0	0	0	0	0	0	2.00%	0
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	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	20.00%	0
341	Transportation Equipment	0	0	0	0	0	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	661	0	0	661	0	661	5.00%	33
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	5.00%	0
346	Communication Equipment	820	0	0	820	0	820	10.00%	82
347	Miscellaneous Equipment	0	0	0	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$98,156	\$1,500	\$500	\$99,156	\$62,606	\$36,550		\$2,452

Contribution(s) in Aid of Construction (Gross) \$0
Less: Non Amortizable Contribution(s) 0
Fully Amortized Contribution(s) 0
Amortizable Contribution(s) \$0
Times: Proposed Amortization Rate 6.71%
Amortization of CIAC \$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$2,452

Tonto Creek Water Company, LLC
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		\$23,803	\$16,902
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		1,013	2,140
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$24,816	\$19,042
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$98,156	\$99,156
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(79,979)	(81,931)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$18,177	\$17,225
	Total Assets		\$42,993	\$36,267

*Note these items feed automatically from AR3 UPIS Page 4

Tonto Creek Water Company, LLC
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		\$1,818	\$2,126
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	200
236	Accrued Taxes		3,835	2,350
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$5,653	\$4,676
	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		1,430	1,950
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$1,430	\$1,950
	Total Liabilites		\$7,083	\$6,626
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		15,468	9,199
218	Proprietary Capital (Sole Props and Partnerships)		20,442	20,442
	Total Capital		\$35,910	\$29,641
	Total Liabilities and Capital		\$42,993	\$36,267

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

Tonto Creek Water Company, LLC
Annual Report
Water Comparative Income Statement
12/31/23

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 -	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$25,962	\$29,586
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	100	57
	Total Revenues	\$26,062	\$29,643
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	2,057	2,184
618	Chemicals	0	245
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	3,063	3,409
620.2	Office Supplies and Expense	62	280
630	Contractual Services	0	4,080
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,860	5,475
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	16,620	2,548
635	Contractual Services - Water Testing	545	920
636	Contractual Services - Other	180	5,095
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	192	866
657	Insurance - General Liability	3,044	2,585
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	595	25
403	Depreciation Expense (From Schedule AR4)	2,452	2,052
408	Taxes Other Than Income	310	0
408.11	Property Taxes	1,271	1,321
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$32,251	\$31,085
	Operating Income / (Loss)	(\$6,189)	(\$1,442)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$3	\$2
421	Non-Utility Income	35	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(118)	0
	Total Other Income / (Expense)	(\$80)	\$2
	Net Income / (Loss)	(\$6,269)	(\$1,440)

Tonto Creek Water Company, LLC
 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	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.1	0.1
Meter reader	0.0	0.0	0.1	0.1
Customer Service	0.0	0.0	0.1	0.1
Accounting	0.0	0.0	0.2	0.2
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	0.1	0.1
Other	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.6	0.6

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	No loans	No loans	No loans	No loans
Source of Loan	No loans	No loans	No loans	No loans
ACC Decision No.	No loans	No loans	No loans	No loans
Reason for Loan	No loans	No loans	No loans	No loans
Dollar Amt. Issued	No loans	No loans	No loans	No loans
Amount Outstanding	No loans	No loans	No loans	No loans
Date of Maturity	No loans	No loans	No loans	No loans
Interest Rate	No loans	No loans	No loans	No loans
Current Year Interest	No loans	No loans	No loans	No loans
Current Year Principal	No loans	No loans	No loans	No loans

Meter Deposit Balance at Test Year End:	\$1,950
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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.

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:	N/A
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STRUCTURES:	12 x 12 foot pump house
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OTHER:	N/A
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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	46
Method used:	(a)

Customer and Other Information	
Name of the System:	TONTO CREEK WATER CO
ADEQ Public Water System Number:	AZ0404021
ADWR PCC Number:	91-000127.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	79	0	0	0	0
February	78	0	0	0	0
March	78	0	0	0	0
April	78	0	0	0	0
May	79	0	0	0	0
June	79	0	0	0	0
July	78	0	0	0	0
August	78	0	0	0	0
September	78	0	0	0	0
October	78	0	0	0	0
November	78	0	0	0	0
December	79	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.

Tonto Creek Water Company, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	TONTO CREEK WATER CO
ADEQ Public Water System Number:	AZ0404021
ADWR PCC Number:	91-000127.0000

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 relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Property Taxes

Amount of actual property taxes paid during Calendar Year 2023 was

\$1,271

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.

Tonto Creek Water Company, LLC
Annual Report
Verification and Certification (Taxes)
12/31/23

Verification and Certification (Taxes)

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

County of (county name): Gila
Name (owner or official) title: Richard Cook, President
Company name: Tonto Creek Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/23

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.

Richard Cook / President
signature of owner/official

(623) 691-0567 x104
telephone no.