

ANNUAL REPORT

Of

Company Name: Walnut Creek Water Company, Inc.

6808 N Dysart Rd Ste 116

Mailing Address: Glendale AZ 85307

Docket No.: W-02466A

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: 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: Corrected Filing

Application Date: 3/28/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Walnut Creek Water Company, Inc.
A Class ☐ Utility

For the Calendar Year Ended: 12/31/24

Primary Address:

6808 N Dysart Rd Ste 116			
City:	Glendale	State:	Arizona
Zip Code:	85307		

Telephone Number:

623-219-4740

Date of Original Organization of Utility:

9/4/1984

Person to whom correspondence should be addressed concerning this report:

Name:

Bryan Thomas

Telephone No. :

623-219-4740

Address:

6808 N Dysart Rd Ste 116			
City:	Glendale	State:	Arizona
Zip Code:	85307		

Email: Bnthomas@hearthstonecompany.com

On-Site Manager
Name:

Mike Dunshie

Telephone No. :

928-279-8594

Address:

6808 Dysart Rd Suite 116			
City:	Glendale	State:	Arizona
Zip Code:	85307		

Email: mdunshie@hearthstonecompany.com

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Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Ownership:

"C" Corporation

Counties Served:

Mohave

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.

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.

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	7,425	0	0	7,425	0	7,425
304	Structures and Improvements	48,917	0	0	48,917	12,843	36,074
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	71,921	0	0	71,921	32,199	39,722
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	166,571	3,583	0	170,154	107,553	62,601
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	10,022	0	0	10,022	6,150	3,872
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	314,711	0	0	314,711	33,089	281,622
330.2	Pressure Tanks	1,178	0	0	1,178	619	559
331	Transmission and Distribution Mains	664,578	15,572	0	680,150	418,167	261,983
333	Services	29,991	7,528	0	37,519	8,836	28,683
334	Meters and Meter Installations	101,021	516	0	101,537	41,386	60,151
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	15,322	0	0	15,322	11,404	3,918
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	2,690	0	0	2,690	2,690	0
341	Transportation Equipment	35,910	0	0	35,910	32,241	3,669
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	12,760	2,544	0	15,304	4,446	10,858
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	54,343	0	0	54,343	50,477	3,866
346	Communication Equipment	11,681	0	0	11,681	11,209	472
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,549,041	\$29,743	\$0	\$1,578,784	\$773,309	\$805,475

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	7,425	0	0	7,425	7,425	0	0.00%	0
304	Structures and Improvements	48,917	0	0	48,917	2,544	46,373	3.33%	1,545
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	71,921	0	0	71,921	0	71,921	3.33%	2,395
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	5.00%	0
311	Pumping Equipment	166,571	3,583	0	170,154	62,890	107,264	12.50%	14,298
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	10,022	0	0	10,022	0	10,022	20.00%	2,005
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	314,711	0	0	314,711	5,266	309,445	2.22%	6,870
330.2	Pressure Tanks	1,178	0	0	1,178	0	1,178	5.00%	59
331	Transmission and Distribution Mains	664,578	15,572	0	680,150	302,652	377,498	2.00%	7,396
333	Services	29,991	7,528	0	37,519	6,729	30,790	3.33%	900
334	Meters and Meter Installations	101,021	516	0	101,537	4,394	97,143	8.33%	8,071
335	Hydrants	0	0	0	0	0	0	2.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	15,322	0	0	15,322	10,211	5,111	6.67%	341
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	2,690	0	0	2,690	2,690	0	20.00%	0
341	Transportation Equipment	35,910	0	0	35,910	4,500	31,410	20.00%	6,282
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	12,760	2,544	0	15,304	0	15,304	5.00%	702
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	54,343	0	0	54,343	46,475	7,868	5.00%	393
346	Communication Equipment	11,681	0	0	11,681	10,822	859	10.00%	86
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	\$1,549,041	\$29,743	\$0	\$1,578,784	\$466,598	\$1,112,186		\$51,342

Contribution(s) in Aid of Construction (Gross)	\$311,409
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$311,409
Times: Proposed Amortization Rate	3.91%
Amortization of CIAC	\$14,376

Less: Amortization of CIAC **\$14,376**

DEPRECIATION EXPENSE **\$36,966**

Walnut Creek 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		\$11,825	\$15,072
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		11,804	11,557
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		3,281	4,631
174	Miscellaneous Current and Accrued Assets		8,043	12,491
	Total Current and Accrued Assets		\$34,953	\$43,751
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,549,041	\$1,578,784
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(721,967)	(773,309)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$827,074	\$805,475
	Total Assets		\$862,027	\$849,226

*Note these items feed automatically from AR3 UPIS Page 4

Walnut Creek 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		\$2,666	\$4,320
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		172,280	200,959
235	Customer Deposits		4,206	2,310
236	Accrued Taxes		4,935	4,596
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		1,035	4,526
	Total Current Liabilities		\$185,122	\$216,711
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$39,967	\$38,228
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		14,543	14,755
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		311,409	311,409
272	Less: Amortization of Contributions		(43,033)	(57,409)
281	Accumulated Deferred Income Tax		36,785	33,423
	Total Deferred Credits		\$319,704	\$302,178
	Total Liabilities		\$544,793	\$557,117
	Capital Accounts			
201	Common Stock Issued		\$9,000	\$9,000
211	Other Paid-In Capital		780,089	780,089
215	Retained Earnings		(471,855)	(496,980)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$317,234	\$292,109
	Total Liabilities and Capital		\$862,027	\$849,226

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

Walnut Creek 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	\$197,535	\$199,137
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	11,282	6,479
474	Other Water Revenue	0	0
	Total Revenues	\$208,817	\$205,616
	Operating Expenses		
601	Salaries and Wages	\$55,940	\$51,800
604	Employee Pensions and Benefits	3,780	3,783
610	Purchased Water	0	0
615	Purchased Power	30,457	27,821
618	Chemicals	3,843	2,014
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	8,777	5,627
620.2	Office Supplies and Expense	503	4,239
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	2,802
634	Contractual Services - Management Fees	60,698	66,358
635	Contractual Services - Water Testing	2,137	2,278
636	Contractual Services - Other	1,335	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	3,956	9,229
657	Insurance - General Liability	5,492	7,263
657.1	Insurance - Health and Life	10,784	6,740
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	823
675	Miscellaneous Expense	4,706	11,714
403	Depreciation Expense (From Schedule AR4)	36,966	34,512
408	Taxes Other Than Income	3,912	3,916
408.11	Property Taxes	7,547	7,529
409	Income Taxes	(8,315)	(7,476)
427.1	Customer Security Deposit Interest	209	15
	Total Operating Expenses	\$232,727	\$240,987
	Operating Income / (Loss)	(\$23,910)	(\$35,371)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$5
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(1,215)	(1,364)
	Total Other Income / (Expense)	(\$1,215)	(\$1,359)
	Net Income / (Loss)	(\$25,125)	(\$36,730)

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)	1.0		without	1.0
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	1.0	0.0	0.0	1.0

Walnut Creek 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	12/4/2020	5/13/2022		
Source of Loan	WIFA	WIFA		
ACC Decision No.	77642	78483		
Reason for Loan	Cap Improvement	Cap Improvement		
Dollar Amt. Issued	\$24,225	\$19,025		
Amount Outstanding	\$20,650	\$17,578		
Date of Maturity	12/1/2040	5/1/2042		
Interest Rate	2.61%	3.67%		
Current Year Interest	\$556	\$659		
Current Year Principal	\$1,030	\$708		

Meter Deposit Balance at Test Year End:	\$4,755
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Meter Deposits Refunded During the Test Year:	\$543
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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.

[illegible]

Name of system water delivered to:	
ADWR PCC Number:	
Source of water delivered to another system	

Name of system water received from:	
ADWR PCC Number:	
Source of water received	
Well registry 55# (55-XXXXXX):	

	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
Month							
January	2,353,751.00	1,726,694.00	0.00	0.00	3,000.00	\$2,267	14,120
February	2,052,122.00	1,428,439.00	0.00	0.00	7,000.00	2,341	14,215
March	1,956,198.00	1,576,521.00	0.00	0.00	3,000.00	1,977	11,718
April	2,244,478.00	1,926,839.00	0.00	0.00	3,000.00	2,184	12,977
May	2,280,176.00	2,022,801.00	0.00	0.00	3,000.00	2,550	15,296
June	2,915,156.00	2,482,661.00	0.00	0.00	3,000.00	3,022	18,181
July	2,763,845.00	2,507,563.00	0.00	0.00	3,000.00	3,198	19,189
August	2,396,942.00	2,286,191.00	0.00	0.00	3,000.00	2,759	16,254
September	2,500,157.00	2,301,515.00	0.00	0.00	3,000.00	2,985	17,558
October	2,244,688.00	2,144,623.00	0.00	0.00	3,000.00	2,569	15,428
November	1,934,399.00	1,664,714.00	0.00	0.00	3,000.00	2,300	13,069
December	1,716,092.00	1,356,044.00	0.00	0.00	3,000.00	2,303	12,989
Totals	27,358,004.00	23,424,605.00	0.00	0.00	40,000.00	\$30,457	180,994

If applicable, in the space below please provide a description for all un-metered water use along with amounts: Flushing	
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- | | |
|---|---|
| 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:	WALNUT CREEK WATER CO		
ADEQ Public Water System Number:	AZ0408078		
ADWR PCC Number:	91-000341.0000		

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed
PVC	100%	87-2016

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	unmetered	2
15	unmetered	3

FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	27
Other	0

STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
290,000	steel	1	1984
65,000	steel	1	1984
100,000	steel	1	2018

PRESSURE/BLADDER TANKS

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	steel	1	2001

* 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
STRUCTURES:	standpipe, well house, pump house
OTHER:	

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 = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC	201
Method used:	(a)

Customer and Other Information		
Name of the System:	WALNUT CREEK WATER CO	
ADEQ Public Water System Number:	AZ0408078	
ADWR PCC Number:	91-000341.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	276		10		2
February	278		10		2
March	277		10		2
April	278		10		1
May	278		10		1
June	278		10		1
July	275		10		1
August	278		10		1
September	279		10		1
October	277		10		1
November	280		10		1
December	280		10		1

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.

Installing new touch read meters and recoating two storage tanks in 2021.

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

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

Utility Shutoffs / Disconnects	
Name of the System:	WALNUT CREEK WATER CO
ADEQ Public Water System Number:	AZ0408078
ADWR PCC Number:	91-000341.0000

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	5	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	1	0
August	0	0	0
September	0	0	0
October	0	1	0
November	0	0	0
December	0	0	0
Total	0	8	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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2024 was
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\$7,859

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: Walnut Creek Water Company, Inc.

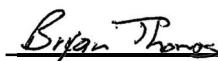
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

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.



signature of owner/official

623-219-4740

telephone no.