

ANNUAL REPORT

Of

Company Name: Willow Springs Utilities, LLC
3275 W. Ina Rd., Ste. 275

Mailing Address: Tucson AZ
85741-2338

Docket No.: WS-20432A
For the Year Ended: 12/31/18

RECEIVED

JAN 25 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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: 1/25/2019

1-28-19

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Willow Springs Utilities, LLC
A Class Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

6. On-Site Manager:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

7. Ownership:

8. Counties Served:

Willow Springs Utilities, LLC
 Annual Report
 Utility Plant in Service (Water)
 12/31/18

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OC/LD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	\$0	0
303	Land and Land Rights	17,750	0	0	17,750	\$0	17,750
304	Structures and Improvements	398,006	0	0	398,006	\$0	398,006
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	1,033,410	0	0	1,033,410	\$0	1,033,410
308	Infiltration Galleries	0	0	0	0	\$0	0
309	Supply Mains	1,009,336	0	0	1,009,336	\$0	1,009,336
310	Power Generation Equipment	0	0	0	0	\$0	0
311	Pumping Equipment	2,227,247	0	0	2,227,247	\$0	2,227,247
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	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	1,584,151	0	0	1,584,151	\$0	1,584,151
330.2	Pressure Tanks	0	0	0	0	\$0	0
331	Transmission and Distribution Mains	16,590,449	0	0	16,590,449	\$0	16,590,449
333	Services	23,579	0	0	23,579	\$0	23,579
334	Meters and Meter Installations	1,137,194	0	0	1,137,194	\$0	1,137,194
335	Hydrants	677,879	0	0	677,879	\$0	677,879
336	Backflow Prevention Devices	9,442	0	0	9,442	\$0	9,442
339	Other Plant and Misc. Equipment	6,553	0	0	6,553	\$0	6,553
340	Office Furniture and Equipment	36,633	0	0	36,633	\$0	36,633
340.1	Computer & Software	0	0	0	0	\$0	0
341	Transportation Equipment	112,247	0	0	112,247	\$0	112,247
342	Stores Equipment	0	0	0	0	\$0	0
343	Tools, Shop and Garage Equipment	15,645	0	0	15,645	\$0	15,645
344	Laboratory Equipment	0	0	0	0	\$0	0
345	Power Operated Equipment	47,564	0	0	47,564	\$0	47,564
346	Communication Equipment	0	0	0	0	\$0	0
347	Miscellaneous Equipment	9,656	0	0	9,656	\$0	9,656
348	Other Tangible Plant	0	0	0	0	\$0	0
	Totals	\$24,936,741	\$0	\$0	\$24,936,741	\$0	\$24,936,741

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.

Willow Springs Utilities, LLC
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/18

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0			\$0
302	Franchises	0	0	0	0			0
303	Land and Land Rights	17,750	0	0	17,750			0
304	Structures and Improvements	398,006	0	0	398,006			0
305	Collecting & Improving Reservoirs	0	0	0	0			0
306	Lake, River, Canal Intakes	0	0	0	0			0
307	Wells and Springs	1,033,410	0	0	1,033,410			0
308	Infiltration Galleries	0	0	0	0			0
309	Supply Mains	1,009,336	0	0	1,009,336			0
310	Power Generation Equipment	0	0	0	0			0
311	Pumping Equipment	2,227,247	0	0	2,227,247			0
320	Water Treatment Equipment	0	0	0	0			0
320.1	Water Treatment Plants	0	0	0	0			0
320.2	Solution Chemical Feeders	0	0	0	0			0
320.3	Point-of-Use Treatment Devices	0	0	0	0			0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	1,584,151	0	0	1,584,151	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	16,590,449	0	0	16,590,449	0	0.00%	0
333	Services	23,579	0	0	23,579	0	0.00%	0
334	Meters and Meter Installations	1,137,194	0	0	1,137,194	0	0.00%	0
335	Hydrants	677,879	0	0	677,879	0	0.00%	0
336	Backflow Prevention Devices	9,442	0	0	9,442	0	0.00%	0
339	Other Plant and Misc. Equipment	6,553	0	0	6,553	0	0.00%	0
340	Office Furniture and Equipment	36,633	0	0	36,633	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	112,247	0	0	112,247	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	15,645	0	0	15,645	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	47,564	0	0	47,564	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	9,656	0	0	9,656	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$24,936,741	\$0	\$0	\$24,936,741	\$0		\$0

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
 Amortization of CIAC

Less: Amortization of CIAC

DEPRECIATION EXPENSE

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.

Willow Springs Utilities, LLC
 Annual Report
 Balance Sheet Assets
 12/31/18

Balance Sheet Assets			
	Assets	Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets		
131	Cash	\$994,187	\$0
134	Working Funds	0	0
135	Temporary Cash Investments	3,084,058	0
141	Customer Accounts Receivable	275,811	0
146	Notes Receivable from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	1,529,008	0
174	Miscellaneous Current and Accrued Assets	62,420	0
	Total Current and Accrued Assets	\$5,945,484	\$0
Account No.	Fixed Assets		
101	Utility Plant in Service*	\$24,936,741	\$24,936,741
103	Property Held for Future Use	0	0
105	Construction Work in Progress	26,455	0
108	Accumulated Depreciation (enter as negative)*	(7,299,162)	0
121	Non-Utility Property	157,570	0
122	Accumulated Depreciation - Non Utility	(138,051)	0
	Total Fixed Assets	\$17,683,553	\$24,936,741
	Total Assets	\$23,629,037	\$24,936,741

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.

*Note these items feed automatically from AR3 UPIS Page 3

Willow Springs Utilities, LLC
 Annual Report
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$85,876	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		298,397	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$384,273	\$0
	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		6,574,162	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		10,755,472	0
272	Less: Amortization of Contributions		(1,765,032)	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$15,564,602	\$0
	Total Liabilites		\$15,948,875	\$0
	Capital Accounts			
201	Common Stock Issued		\$638,099	\$0
211	Other Paid-In Capital		2,445,314	0
215	Retained Earnings		4,596,749	0
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$7,680,162	\$0
	Total Liabilities and Capital		\$23,629,037	\$0

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.

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

Willow Springs Utilities, LLC
 Annual Report
 Water Comparative Income Statement
 12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue		\$2,467,968
460	Unmetered Water Revenue		0
462	Fire Protection Revenue		0
469	Guaranteed Revenues (Surcharges)		0
471	Miscellaneous Service Revenues		0
474	Other Water Revenue		1,092,699
	Total Revenues	\$0	\$3,560,667
	Operating Expenses		
601	Salaries and Wages	\$0	\$310,141
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	704,012
615	Purchased Power	0	115,496
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	0	66,925
620.2	Office Supplies and Expense	0	72,179
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	4,317
632	Contractual Services - Accounting	0	15,560
633	Contractual Services - Legal	0	1,562
634	Contractual Services - Management Fees	0	152,531
635	Contractual Services - Water Testing	0	19,858
636	Contractual Services - Other	0	17,512
640	Rents	0	7,121
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	16,746
657	Insurance - General Liability	0	45,920
657.1	Insurance - Health and Life	0	7,539
665	Regulatory Commission Expense - Rate	0	13,144
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	0	293,610
403	Depreciation Expense (From Schedule AR4)		335,240
408	Taxes Other Than Income	0	0
408.11	Property Taxes	0	77,319
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$0	\$2,276,732
	Operating Income / (Loss)	\$0	\$1,283,935
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$35,456
421	Non-Utility Income	0	84,257
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	(9,203)
	Total Other Income / (Expense)	\$0	\$110,510
	Net Income / (Loss)	\$0	\$1,394,445

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.

Willow Springs Utilities, LLC
Annual Report
Full time equivalent employees
12/31/18

Full time equivalent employees

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

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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Willow Springs Utilities, LLC
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/18

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

Meter Deposit Balance at Test Year End: \$0

Meter Deposits Refunded During the Test Year: \$0

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	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

MAINS		
Sizes (inches)	Material	Length (feet)
NA		

CUSTOMER METERS	
Size (inches)	Quantity
NA	

SERVICE LINES	
Material	Percent of system

BOOSTER PUMPS		
Horsepower	GPM	Quantity

FIRE HYDRANTS	
Type	Quantity
Standard *	
Other	

STORAGE TANKS		
Capacity (gallons)	Material	Quantity

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity

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. Copy and paste this sheet as many times as is necessary.

* 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)

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	
---------------------------------	--

STRUCTURES:	
--------------------	--

OTHER:	
---------------	--

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. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

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

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?

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. Copy and paste this sheet as many times as is necessary.

Willow Springs Utilities, LLC
Annual Report
Property Taxes
12/31/18

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2018 was	\$0

If no property taxes paid, explain why.
The Utility does not own any property

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.

Willow Springs Utilities, LLC
Annual Report
Verification and Sworn Statement (Taxes)
12/31/18

RECEIVED
JAN 25 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and Sworn Statement (Taxes)

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

County of (county name): Pinal
Name (owner or official) title: Willow Springs Properties LLC
Company name: Willow Springs Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/18

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.

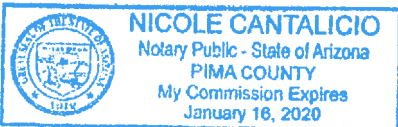
Kamryn D
signature of owner/official

520-618-4127
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 25th DAY OF Pima
January 2019
(month) and (year)

MY COMMISSION EXPIRES 1/16/2020
(date)



Nicole Cantalicio
(signature of notary public)

RECEIVED

JAN 25 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)

County of (county name): Pinal
Name (owner or official) title: Willow Springs Properties LLC
Company name: Willow Springs Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/18

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: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$0

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

[Handwritten Signature]

signature of owner/official

520-618-4127

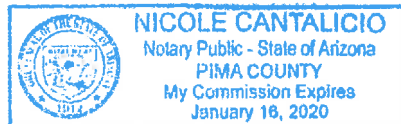
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 25 DAY OF Pima
January 2019
(month)(and (year)

MY COMMISSION EXPIRES

1/16/2020
(date)



[Handwritten Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

RECEIVED
JAN 25 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification:

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

County of (county name): Pinal
Name (owner or official) title: Willow Springs Properties LLC
Company name: Willow Springs Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/18

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: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$0

(The amount in the box above includes
\$0 in sales taxes
billed or collected)

[Signature]
signature of owner/official

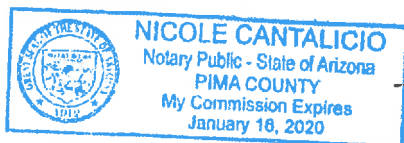
520-618-4127
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Pima

(county name)

THIS 25 DAY OF January 2019
(month) and (year)

MY COMMISSION EXPIRES 1/16/2020
(date)



[Signature]
(signature of notary public)