

ANNUAL REPORT

Of

Company Name: **Kyllo Development Corp. DBA Bradshaw Mountainview Water Company**
PO Box 938

Mailing Address: Mayer AZ
86333

Docket No.: W-02089A
For the Year Ended: **12/31/23**

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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: **Original Filing**
Application Date: **5/7/2024**

ARIZONA CORPORATION COMMISSION
 WATER UTILITY ANNUAL REPORT
 Kyllö Development Corp. DBA Bradshaw Mountainview Water Company
 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

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	\$10,271	\$0	\$0	\$10,271	\$0	\$10,271
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	6,660	0	0	6,660	0	6,660
304	Structures and Improvements	71,892	0	0	71,892	39,053	32,839
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	239,354	0	0	239,354	168,709	70,645
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	82,278	0	0	82,278	55,538	26,740
311	Pumping Equipment	197,693	0	0	197,693	179,958	17,735
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	1,250	0	0	1,250	1,250	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	119,904	0	0	119,904	119,904	0
330.1	Storage Tanks	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	1,101,663	25,018	0	1,126,681	611,875	514,806
333	Services	380,134	0	0	380,134	293,168	86,966
334	Meters and Meter Installations	297,299	10,997	0	308,296	251,981	56,315
335	Hydrants	327,635	0	0	327,635	203,837	123,798
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	456	0	0	456	137	319
340.1	Computer & Software	1,495	0	0	1,495	449	1,046
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	6,478	1,524	0	8,002	3,642	4,360
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$2,844,462	\$37,539	\$0	\$2,882,001	\$1,929,501	\$952,500

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
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	\$10,271	\$0	\$0	\$10,271	\$0	\$10,271	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,660	0	0	6,660	0	6,660	0.00%	0
304	Structures and Improvements	71,892	0	0	71,892	14,205	57,687	3.33%	1,921
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	239,354	0	0	239,354	21,950	217,404	3.33%	7,240
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	82,278	0	0	82,278	0	82,278	5.00%	4,114
311	Pumping Equipment	197,693	0	0	197,693	161,079	36,614	12.50%	5,301
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	1,250	0	0	1,250	1,250	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	119,904	0	0	119,904	119,904	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0	2.22%	0
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	1,101,663	25,018	0	1,126,681	163,552	963,129	2.00%	19,012
333	Services	380,134	0	0	380,134	122,004	258,130	3.33%	8,596
334	Meters and Meter Installations	297,299	10,997	0	308,296	219,049	89,247	8.33%	7,172
335	Hydrants	327,635	0	0	327,635	0	327,635	2.00%	6,553
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	456	0	0	456	0	456	6.67%	30
340.1	Computer & Software	1,495	0	0	1,495	0	1,495	20.00%	299
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	0	0	0	0	0	0	5.00%	0
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	6,478	1,524	0	8,002	0	8,002	10.00%	724
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	\$2,844,462	\$37,539	\$0	\$2,882,001	\$822,993	\$2,059,008		\$60,962

Contribution(s) in Aid of Construction (Gross)	\$1,853,890
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,853,890
Times: Proposed Amortization Rate	2.69%
Amortization of CIAC	\$49,955

Less: Amortization of CIAC \$49,955

DEPRECIATION EXPENSE **\$11,007**

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
 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		\$2,814	\$60
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		(6,902)	(477)
146	Notes Receivable from Associated Companies		0	4,000
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		(\$4,088)	\$3,583
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,844,462	\$2,882,001
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,868,539)	(1,929,501)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$975,923	\$952,500
	Total Assets		\$971,835	\$956,083

*Note these items feed automatically from AR3 UPIS Page 4

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
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		\$11,535	\$10,227
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		4,000	0
235	Customer Deposits		34,064	25,110
236	Accrued Taxes		1,260	1,328
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	441
	Total Current Liabilities		\$50,859	\$37,106
	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		26,257	23,375
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,853,890	1,853,890
272	Less: Amortization of Contributions		(1,140,988)	(1,190,943)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$739,159	\$686,322
	Total Liabilites		\$790,018	\$723,428
	Capital Accounts			
201	Common Stock Issued		\$1,100	\$1,100
211	Other Paid-In Capital		0	0
215	Retained Earnings		180,717	231,555
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$181,817	\$232,655
	Total Liabilities and Capital		\$971,835	\$956,083

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

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
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	\$258,885	\$255,781
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	8,861	9,408
	Total Revenues	\$267,746	\$265,189
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	25,590	28,347
618	Chemicals	0	2,713
620	Materials and Supplies	4,639	9,971
620.1	Repairs and Maintenance	33,748	32,716
620.2	Office Supplies and Expense	8,186	3,284
630	Contractual Services	0	40,490
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	39,104	38,275
633	Contractual Services - Legal	0	106
634	Contractual Services - Management Fees	72,028	65,590
635	Contractual Services - Water Testing	5,181	6,912
636	Contractual Services - Other	14,944	6,260
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	4,794	5,589
657.1	Insurance - Health and Life	1,195	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	1,489	0
403	Depreciation Expense (From Schedule AR4)	11,007	9,442
408	Taxes Other Than Income	1,342	0
408.11	Property Taxes	9,922	10,294
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	90	251
	Total Operating Expenses	\$233,259	\$260,240
	Operating Income / (Loss)	\$34,487	\$4,949
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	\$34,487	\$4,949

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
 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	0.5	0.5
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.5	0.5
Meter reader	0.0	0.0	0.5	0.5
Customer Service	0.0	0.0	0.5	0.5
Accounting	0.0	0.0	1.0	1.0
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	0.0	0.0	3.0	3.0

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

Meter Deposit Balance at Test Year End:	\$23,375
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Meter Deposits Refunded During the Test Year:	\$2,573
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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:	Chlorine injector pumps
STRUCTURES:	Fenced well lots, equipment buildings
OTHER:	15 kW solar generator system

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	145
Method used:	(a)

Customer and Other Information	
Name of the System:	BRADSHAW MT VIEW WATER
ADEQ Public Water System Number:	AZ0413062
ADWR PCC Number:	91-000646.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	602	4	12	5	5
February	603	4	12	5	5
March	618	4	12	5	5
April	623	4	12	5	5
May	618	4	12	5	5
June	617	4	11	5	5
July	621	4	11	5	5
August	625	4	12	5	5
September	623	4	12	5	5
October	618	4	12	5	5
November	617	4	12	5	5
December	616	4	12	5	5

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.

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	BRADSHAW MT VIEW WATER
ADEQ Public Water System Number:	AZ0413062
ADWR PCC Number:	91-000646.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	5	0
February	0	13	0
March	0	0	0
April	0	6	0
May	0	0	0
June	0	0	0
July	0	16	0
August	0	10	0
September	0	13	0
October	0	7	0
November	0	3	0
December	0	8	0
Total	0	81	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.

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
Annual Report
Property Taxes
12/31/23

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2023 was	
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	\$9,922
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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.

Kyllo Development Corp. DBA Bradshaw Mountainview Water Company
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): Yavapai
Name (owner or official) title: Stuart McLenn, President
Company name: Kyllo Development Corp. DBA Bradshaw Mountainview Water Compa

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

(928) 925-4837
telephone no.