

ANNUAL REPORT

Of

Company Name: **Eden Water Company, Inc.**
9488 N. Hot Springs Rd.

Mailing Address: Eden AZ
85535

Docket No.: W-02068A
For the Year Ended: 12/31/19

**RECEIVED
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4/27/2020, 10:40 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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: 4/8/2020

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

For the Calendar Year Ended: 12/31/19

Primary Address: 9488 Hot Springs Road
City: Eden State: Arizona Zip Code: 85535

Telephone Number: (928)485-9250

Date of Original Organization of Utility: 5/20/1905

Person to whom correspondence should be addressed concerning this report:

Name: Jay D. Colvin
Telephone No. : (928) 485-9250
Address: 9488 Hot Springs Road
City: Eden State: Arizona Zip Code: 85535
Email: edenwaterco@gmail.com

Name: Sebrina Davis
Telephone No. : (928)792-7138
Address: 9488 Hot Spring Road
City: Eden State: Arizona Zip Code: 85535
Email: edenwaterco@gmail.com

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: "S" Corporation

Counties Served: Graham

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.

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
302	Franchises				0		0
303	Land and Land Rights	354			354		354
304	Structures and Improvements	32,584			32,584	2,979	29,605
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs				0		0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment				0		0
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	103,954			103,954	86,822	17,132
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	385,297			385,297	212,764	172,533
333	Services	11,551			11,551	2,786	8,765
334	Meters and Meter Installations	11,224			11,224	1,281	9,943
335	Hydrants	8,890			8,890	7,560	1,330
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment	122			122	45	77
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment	862			862	862	(0)
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant				0		0
	Totals	\$554,838	\$0	\$0	\$554,838	\$315,100	\$239,738

Eden Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/19

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
302	Franchises	0	0	0	0		0		0
303	Land and Land Rights	354	0	0	354	354	0		0
304	Structures and Improvements	32,584	0	0	32,584	29,701	2,883	3.33%	96
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	0	0	0	0		0		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	0	0	0	0		0		0
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	103,954	0	0	103,954	19,018	84,936	2.22%	1,886
330.2	Pressure Tanks	0	0	0	0		0		0
331	Transmission and Distribution Mains	385,297	0	0	385,297	176,705	208,592	2.00%	4,172
333	Services	11,551	0	0	11,551	8,854	2,697	3.33%	90
334	Meters and Meter Installations	11,224	0	0	11,224	10,042	1,182	8.33%	98
335	Hydrants	8,890	0	0	8,890	1,478	7,412	2.00%	148
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	122	0	0	122	80	42	6.67%	3
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	862	0	0	862	862	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
	Subtotal	\$554,838	\$0	\$0	\$554,838	\$247,094	\$307,744		\$6,493

Contribution(s) in Aid of Construction (Gross)	\$3,631
Less: Non Amortizable Contribution(s)	
Fully Amortized Contribution(s)	
Amortizable Contribution(s)	<u>\$3,631</u>
Times: Proposed Amortization Rate	2.11%
Amortization of CIAC	\$77

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Eden Water Company, Inc.
Annual Report
Balance Sheet Assets
12/31/19

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current and Accrued Assets			
131	Cash		\$19,840	\$12,717
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		4,642	4,637
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies		12,059	17,824
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$36,541	\$35,178
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$554,838	\$554,838
103	Property Held for Future Use			
105	Construction Work in Progress		205	205
108	Accumulated Depreciation (enter as negative)*		(321,593)	(315,100)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$233,450	\$239,943
	Total Assets		\$269,991	\$275,121

*Note these items feed automatically from AR3 UPIS Page 4

Eden Water Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities			
231	Accounts Payable		\$12,303	(\$210)
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		11,421	12,221
236	Accrued Taxes		4,088	2,724
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$27,812	\$14,735
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$58,464	\$56,424
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		196,001	196,001
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		61,878	61,801
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$257,879	\$257,802
	Total Liabilities		\$344,155	\$328,961
	Capital Accounts			
201	Common Stock Issued		\$11,438	\$11,863
211	Other Paid-In Capital		4,799	1,462
215	Retained Earnings		(90,401)	(67,164)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(\$74,164)	(\$53,839)
	Total Liabilities and Capital		\$269,991	\$275,121

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

Eden Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/19

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	Operating Revenue		
461	Metered Water Revenue	\$127,815	\$137,409
460	Unmetered Water Revenue	397	565
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	\$128,212	\$137,974
	Operating Expenses		
601	Salaries and Wages	\$17,112	\$16,248
604	Employee Pensions and Benefits		
610	Purchased Water	47,291	42,048
615	Purchased Power		
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	19,062	10,068
620.2	Office Supplies and Expense	16,115	8,263
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	590	580
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	2,676	2,528
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	1,200	1,200
657	Insurance - General Liability	2,567	8,987
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	1,276	4,111
403	Depreciation Expense (From Schedule AR4)	6,416	2,951
408	Taxes Other Than Income	1,347	1,472
408.11	Property Taxes	4,500	3,786
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$120,151	\$102,243
	Operating Income / (Loss)	\$8,061	\$35,731
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)	3,144	3,144
	Total Other Income / (Expense)	\$3,144	\$3,144
	Net Income / (Loss)	\$11,205	\$38,875

Eden Water Company, Inc.
Annual Report
Full time equivalent employees
12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)				0.0
Meter reader	1,728.0			1,728.0
Customer Service				0.0
Accounting				0.0
Business Office	490.0			490.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	2,218.0	0.0	0.0	2,218.0

Eden Water Company, Inc.
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/19

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	10/9/2001			
Source of Loan	USDA			
ACC Decision No.	61894			
Reason for Loan	Water Tank/Water Main			
Dollar Amt. Issued	\$95,000			
Amount Outstanding				
Date of Maturity	10/4/2041			
Interest Rate	4.50%			
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:	\$0
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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)

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

TREATMENT EQUIPMENT:	All WATER FOR OUR CUSTOMER IS PURCHASE AND TREATED BY GRAHAM COUNTY UTILITIES CO.
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STRUCTURES:	ONE CEMENT BLOCK BUILDING IS USED FOR STORAGE AND A PRESSURE TANK—ONE SMALL METAL BUILDING IS FOR PUMP AND PURMPING INSTRUMENTS
--------------------	---

OTHER:	6 FOOT CHAIN LINK FENCING AROUND BOTH BUILDING AND STORAGE TANS
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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

Method used:

Customer and Other Information	
Name of the System:	EDEN WATER COMPANY INC
ADEQ Public Water System Number:	AZ0405003
ADWR PCC Number:	91-000168.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	138		2		
February	138		2		
March	138		2		
April	138		2		
May	140		2		
June	138		2		
July	138		2		
August	142		2		
September	143		2		
October	143		2		
November	143		2		
December	139		2		

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 (GCPCPD) requirement?
 If yes, provide the GCPCPD 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.

Eden Water Company, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	EDEN WATER COMPANY INC
ADEQ Public Water System Number:	AZ0405003
ADWR PCC Number:	91-000168.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	0	0	0

Other (description):

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.

Eden Water Company, Inc.
Annual Report
Property Taxes
12/31/19

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2019 was	\$4,500
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If no property taxes paid, explain why.

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): Graham
Name (owner or official) title: JAY D COLVIN
Company name: Eden Water Company, Inc.

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

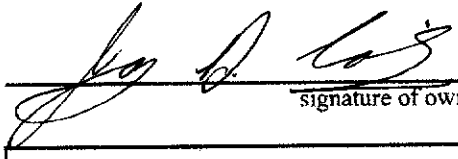
FOR THE YEAR ENDING: 12/31/19

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: _____

**RECEIVED
BY EMAIL**

4/27/2020, 10:40 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



signature of owner/official

telephone no.

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

THIS _____ DAY OF _____ (county name)

_____ (month) and (year)

MY COMMISSION EXPIRES _____ (date)

_____ (signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Graham
Name (owner or official) title: JAY D COLVIN
Company name: Eden Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/19

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 (\$)

\$127,815

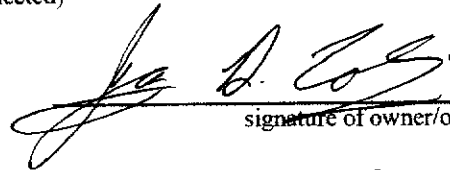
(The amount in the box above includes

\$7,642 in sales taxes billed or collected)

**RECEIVED
BY EMAIL**

4/27/2020, 10:40 AM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



signature of owner/official

0

telephone no.

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

THIS _____ DAY OF _____
(county name)
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Graham
Name (owner or official) title: JAY D COLVIN
Company name: Eden Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/19

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:

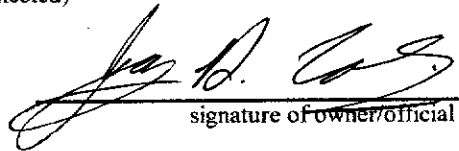
Arizona Intrastate Gross Operating Revenues Only (\$)

\$127,815

(The amount in the box above includes

\$7,642 in sales taxes billed or collected)

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION


signature of owner/official

0
telephone no.

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

(county name)

THIS _____ DAY OF _____
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(signature of notary public)

Eden Water Company, Inc.
Annual Report
for Income Tax Statement of Certification
12/31/19

for Income Tax Statement of Certification

Verification:

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

County of (county name): Graham
Name (owner or official) title: JAY D COLVIN
Company name: Eden Water Company, Inc.

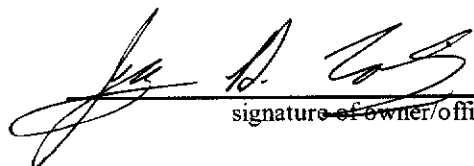
FOR THE YEAR ENDING: 12/31/19

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS NOT INCURRED NOR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

**RECEIVED
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION


signature of owner/official
0
telephone no.

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

(county name)

THIS _____ DAY OF _____
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(signature of notary public)