ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

S

W-04015A
Sunland Water Company
P.O. Box 10450
Casa Grande, Arizona 85230

RECEIVED
SEP 22 2009
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2008

FOR COMMISSION USE

ANN 04	08

PROCESSED BY
9-23-09

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Sunland Water Company

Mailing Address P.O. Box 10450
(Street)

Casa Grande (City) AZ (State) 85230 (Zip)

520-466-5804 Telephone No. (Include Area Code) 520-466-9425 Fax No. (Include Area Code) 520-251-0628 Pager/Cell No. (Include Area Code)

Email Address

Local Office Mailing Address Same as above
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: Bill Miller (Name) Manager (Title)

P.O. Box 10450 (Street) Casa Grande (City) AZ (State) 85230 (Zip)

520-466-5804 Telephone No. (Include Area Code) 520-466-9425 Fax No. (Include Area Code) 520-251-0628 Pager/Cell No. (Include Area Code)

Email Address

On Site Manager: Bill Miller
(Name)

P.O. Box 10450 (Street) Casa Grande (City) AZ (State) 85230 (Zip)

520-466-5804 Telephone No. (Include Area Code) 520-466-9435 Fax No. (Include Area Code) 520-251-0628 Pager/Cell No. (Include Area Code)

Email Address

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

Statutory Agent: _____
(Name)

_____
(Street) (City) (State) (Zip)

_____
Telephone No. (Include Area Code) Fax No. (Include Area Code Pager/Cell No. (Include Area Code)

Attorney: Stephen Cooper
(Name)

221 N. Florence Street Casa Grande Arizona 85222
(Street) (City) (State) (Zip)

520-836-8265 520-421-0916
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**
☐ **C Corporation (C) (Other than Association/Co-op)**
☐ **Partnership (P)**
☐ **Subchapter S Corporation (Z)**
☐ **Bankruptcy (B)**
☐ **Association/Co-op (A)**
☐ **Receivership (R)**
☒ **Limited Liability Company**
☐ **Other** (Describe)_____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**
☐ **COCHISE**
☐ **COCONINO**
☐ **GILA**
☐ **GRAHAM**
☐ **GREENLEE**
☐ **LA PAZ**
☐ **MARICOPA**
☐ **MOHAVE**
☐ **NAVAJO**
☐ **PIMA**
☒ **PINAL**
☐ **SANTA CRUZ**
☐ **YAVAPAI**
☐ **YUMA**
☐ **STATEWIDE**

COMPANY NAME Sunland Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	3,000		3,000
303	Land and Land Rights	2,000		2,000
304	Structures and Improvements	10,000	4,167	5,833
307	Wells and Springs	17,000	7,083	9,917
311	Pumping Equipment	5,000	2,083	2,917
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	20,000	8,333	11,667
333	Services			
334	Meters and Meter Installations	3,000	1,250	1,750
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	60,000	22,916	37,084

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Sunland Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	3,000	0%	0
303	Land and Land Rights	2,000	0%	0
304	Structures and Improvements	10,000	5%	500
307	Wells and Springs	17,000	5%	850
311	Pumping Equipment	5,000	5%	250
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	20,000	5%	1,000
333	Services			
334	Meters and Meter Installations	3,000	5%	150
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	60,000		2,750

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME Sunland Water Company

BALANCE SHEET

Acct .No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 19,262	$ 13,887
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	723	1,711
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	976	975
	TOTAL CURRENT AND ACCRUED ASSETS	$ 20,960	$ 16,573
	FIXED ASSETS		
101	Utility Plant in Service	$ 60,000	$ 60,000
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(20,166)	(22,916)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ 39,834	$ 39,834
	TOTAL ASSETS	**$ 60,794**	**$ 53,657**

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Sunland Water Company

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$	$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	27,210	27,210
235	Customer Deposits		
236	Accrued Taxes	266	266
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	$ 28,717	$ 28,717
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$	$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	$	$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	$	$
	TOTAL LIABILITIES	$	$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$	$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	32,077	24,913
	TOTAL CAPITAL	$ 32,077	$ 24,913
	TOTAL LIABILITIES AND CAPITAL	**$ 60,795**	**$ 53,657**

COMPANY NAME Sunland Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 7,855	$ 7,648
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	$ 7,885	$ 7,648
	OPERATING EXPENSES		
601	Salaries and Wages	$	$
610	Purchased Water		
615	Purchased Power	5,041	2,750
618	Chemicals		
620	Repairs and Maintenance	10,084	828
621	Office Supplies and Expense	238	592
630	Outside Services	7,376	5,653
635	Water Testing	1,900	626
641	Rents		
650	Transportation Expenses		136
657	Insurance – General Liability	2,745	1,606
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	962	1,250
403	Depreciation Expense	2,750	2,750
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax		
	TOTAL OPERATING EXPENSES	$ 31,096	$ 16,146
	OPERATING INCOME/(LOSS)	$ (23,241)	$ (8,497)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	$	$
421	Non-Utility Income		146
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	$	$
	NET INCOME/(LOSS)	**$ (23,241)**	**$ (8,351)**

COMPANY NAME Sunland Water Company

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	$	$	$	$
Amount Outstanding	$	$	$	$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	$	$	$	$
Current Year Principle	$	$	$	$

Meter Deposit Balance at Test Year End $ 0

Meter Deposits Refunded During the Test Year $ 0

COMPANY NAME Sunland Water Company	
Name of System	**ADEQ Public Water System Number (if applicable)**

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
56-601394-0000	20	100		20	2"	1942

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	5,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Sunland Water Company	
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	26,640
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	
3/4	70
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

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

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Sunland Water Company	
Name of System	ADEQ Public Water System Number (if applicable)

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2008

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)*	GALLONS PURCHASED (Thousands)
JANUARY	78	284	300	
FEBRUARY	80	318	320	
MARCH	77	645	650	
APRIL	78	386	390	
MAY	79	896	900	
JUNE	79	591	600	
JULY	79	540	550	
AUGUST	80	449	450	
SEPTEMBER	80	414	420	
OCTOBER	80	396	400	
NOVEMBER	79	363	365	
DECEMBER	79	362	365	
	TOTALS →	5,644	5,710	

*Estimated

What is the level of arsenic for each well on your system? ___.11___mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
( ) Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes (X) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Sunland Water Company **YEAR ENDING 12/31/2008**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2008 was: $ **(see note below)**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. Taxes paid by owners separately due to insufficient cash flow.

See attached copies of tax statements and cancelled checks.

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED
SEP 2 2 2009
THE COMM.
Utilities

VERIFICATION

STATE OF Az

I, THE UNDERSIGNED

COUNTY OF (COUNTY NAME) PINAL

NAME (OWNER OR OFFICIAL) TITLE William Miller

COMPANY NAME SUNLAND WATER COMPANY

OF THE

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

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 OR OFFICIAL

520-251-0628
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME Cindy Rogers

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME Pinal

THIS 18 **DAY OF** Sept 09

MONTH Sept 2009

OFFICIAL SEAL
CINDY A. ROGERS
NOTARY PUBLIC - State of Arizona
PINAL COUNTY
My Comm. Expires June 30, 2011

(SEAL)

Cindy Rogers
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 6/30/11

COMPANY NAME SUNLAND WATER COMPANY **YEAR ENDING 12/31/2008**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	0
Estimated or Actual Federal Tax Liability	0
State Taxable Income Reported	0
Estimated or Actual State Tax Liability	0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	0
Amount of Gross-Up Tax Collected	0
Total Grossed-Up Contributions/Advances	0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE	9/15/09 **DATE**
William C. Miller **PRINTED NAME**	Manager **TITLE**

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED
SEP 2 2 2011
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF Az

I, THE UNDERSIGNED

COUNTY OF (COUNTY NAME)
PINAL
NAME (OWNER OR OFFICIAL) TITLE
William Miller
COMPANY NAME
SUNLAND WATER COMPANY

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

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 REQUIREMENT 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 CALENDAR YEAR 2008 WAS:

Arizona Intrastate Gross Operating Revenues Only ($)
$ 7,648

(THE AMOUNT IN BOX ABOVE
INCLUDES $ 0
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 18 DAY OF

(SEAL)

OFFICIAL SEAL
CINDY A ROGERS
NOTARY PUBLIC - State of Arizona
PINAL COUNTY
My Comm. Expires June 30, 2011

MY COMMISSION EXPIRES 6/30/11

SIGNATURE OF OWNER OR OFFICIAL

520-251-0628
TELEPHONE NUMBER

Cindy Rogers

COUNTY NAME	
Pinal	
MONTH Sept	20 09

Cindy Rogers
SIGNATURE OF NOTARY PUBLIC

RECEIVED
SEP 2 2009
AZ CORP COMM
Director Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) PINAL	
NAME (OWNER OR OFFICIAL) William Miller	TITLE Manager
COMPANY NAME SUNLAND WATER COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

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 40-401.01, 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 CALENDAR YEAR 2008 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 7,648

THE AMOUNT IN BOX AT LEFT INCLUDES $ 0 IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

520-251-0628
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 18 DAY OF

(SEAL)

OFFICIAL SEAL
CINDY A. ROGERS
NOTARY PUBLIC - State of Arizona
PINAL COUNTY
My Comm. Expires June 30, 2011

MY COMMISSION EXPIRES 6/30/11

NOTARY PUBLIC NAME Cindy Rogers	
COUNTY NAME Pinal	
MONTH Sept	20 09

x Cindy Rogers
SIGNATURE OF NOTARY PUBLIC