

**ANNUAL REPORT**

Of

Company Name: ABRA WATER COMPANY, INC.  
PO Box 515

Mailing Address: Paulden AZ  
86334

Docket No.: W-01782A  
For the Year Ended: 12/31/20

**RECEIVED  
BY EMAIL  
May 26, 2021, 12:08 PM  
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: 5/26/2021

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
ABRA WATER COMPANY, INC.  
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:

<b>Important changes during the year</b>
--

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.
NO

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	\$508	\$0	\$0	\$508	\$0	\$508
302	Franchises	787	0	0	787	0	787
303	Land and Land Rights	15,044	0	0	15,044	0	15,044
304	Structures and Improvements	91,262	0	0	91,262	35,653	55,609
305	Collecting & Improving Reservoirs	2,800	0	0	2,800	513	2,287
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	10,075	0	0	10,075	2,588	7,487
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	76,707	1,609	0	78,316	57,493	20,823
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	145,002	0	0	145,002	64,485	80,517
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	134,268	0	0	134,268	111,156	23,112
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	197,626	0	0	197,626	83,386	114,240
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	730,435	19,497	0	749,932	419,110	330,822
333	Services	146,851	10,776	0	157,627	112,472	45,155
334	Meters and Meter Installations	22,987	351	0	23,338	11,138	12,200
335	Hydrants	0	0	0	0	0	0
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	338	0	0	338	57	281
340.1	Computer & Software	1,617	0	0	1,617	1,106	511
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	26,000	0	0	26,000	5,856	20,144
346	Communication Equipment	12,247	0	0	12,247	8,851	3,396
347	Miscellaneous Equipment	94	0	0	94	94	0
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$1,614,648</b>	<b>\$32,233</b>	<b>\$0</b>	<b>\$1,646,881</b>	<b>\$913,958</b>	<b>\$732,923</b>

ABRA WATER COMPANY, INC.  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/20

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	\$508	\$0	\$0	\$508	\$508	\$0	0.00%	\$0
302	Franchises	787	0	0	787	787	0	0.00%	0
303	Land and Land Rights	15,044	0	0	15,044	15,044	0	0.00%	0
304	Structures and Improvements	91,262	0	0	91,262	0	91,262	3.33%	3,039
305	Collecting & Improving Reservoirs	2,800	0	0	2,800	0	2,800	2.50%	70
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	10,075	0	0	10,075	0	10,075	3.33%	335
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	0.00%	0
311	Pumping Equipment	76,707	1,609	0	78,316	705	77,611	12.50%	9,601
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	145,002	0	0	145,002	0	145,002	3.33%	4,829
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	134,268	0	0	134,268	32,800	101,468	33.30%	33,789
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	197,626	0	0	197,626	0	197,626	2.22%	4,387
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	730,435	19,497	0	749,932	0	749,932	2.00%	14,804
333	Services	146,851	10,776	0	157,627	0	157,627	3.33%	5,070
334	Meters and Meter Installations	22,987	351	0	23,338	0	23,338	8.33%	1,929
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	338	0	0	338	0	338	6.67%	23
340.1	Computer & Software	1,617	0	0	1,617	110	1,507	20.00%	301
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	26,000	0	0	26,000	0	26,000	5.00%	1,300
346	Communication Equipment	12,247	0	0	12,247	0	12,247	10.00%	1,225
347	Miscellaneous Equipment	94	0	0	94	93	1	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	<b>\$1,614,648</b>	<b>\$32,233</b>	<b>\$0</b>	<b>\$1,646,881</b>	<b>\$50,047</b>	<b>\$1,596,834</b>		<b>\$80,701</b>

Contribution(s) in Aid of Construction (Gross)	\$520,320
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$520,320</u>
Times: Proposed Amortization Rate	5.05%
<b>Amortization of CIAC</b>	\$26,296

Less: Amortization of CIAC \$26,296

**DEPRECIATION EXPENSE** **\$54,405**

ABRA WATER COMPANY, INC.  
Annual Report  
Balance Sheet Assets  
12/31/20

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$137,022	\$189,620
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		15,614	13,729
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		43,770	44,786
	<b>Total Current and Accrued Assets</b>		<b>\$196,406</b>	<b>\$248,135</b>
<b>Account No.</b>	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$1,614,648	\$1,646,881
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation <b>(enter as negative)*</b>		(833,256)	(913,958)
121	Non-Utility Property		29,731	26,530
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$811,123</b>	<b>\$759,453</b>
	<b>Total Assets</b>		<b>\$1,007,529</b>	<b>\$1,007,588</b>

\*Note these items feed automatically from AR3 UPIS Page 4

ABRA WATER COMPANY, INC.  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$0	\$0
232	Notes Payable (Current Portion)		2,781	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		19,275	19,425
236	Accrued Taxes		1,260	1,375
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	<b>Total Current Liabilities</b>		<b>\$23,316</b>	<b>\$20,800</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$187,882	\$148,837
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		38,006	58,697
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		520,320	520,320
272	Less: Amortization of Contributions		(404,983)	(431,279)
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$153,343</b>	<b>\$147,738</b>
	<b>Total Liabilities</b>		<b>\$364,541</b>	<b>\$317,375</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$10,000	\$10,000
211	Other Paid-In Capital		418,915	418,915
215	Retained Earnings		188,920	236,143
218	Proprietary Capital (Sole Props and Partnerships)		25,154	25,154
	<b>Total Capital</b>		<b>\$642,989</b>	<b>\$690,212</b>
	<b>Total Liabilities and Capital</b>		<b>\$1,007,530</b>	<b>\$1,007,587</b>

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

ABRA WATER COMPANY, INC.  
Annual Report  
Water Comparative Income Statement  
12/31/20

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$309,681	\$275,565
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	30,876	26,246
	<b>Total Revenues</b>	<b>\$340,557</b>	<b>\$301,811</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	21,470	20,167
618	Chemicals	356	483
620	Materials and Supplies	16,706	11,723
620.1	Repairs and Maintenance	0	0
620.2	Office Supplies and Expense	11,318	9,277
630	Contractual Services	0	0
631	Contractual Services - Engineering	18,203	6,823
632	Contractual Services - Accounting	2,198	1,530
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	120,600	117,060
635	Contractual Services - Water Testing	1,709	3,681
636	Contractual Services - Other	0	0
640	Rents	14,829	14,775
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	5,425	5,457
657	Insurance - General Liability	4,458	4,924
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	497
675	Miscellaneous Expense	327	327
403	Depreciation Expense (From Schedule AR4)	54,405	45,281
408	Taxes Other Than Income	324	(6)
408.11	Property Taxes	9,855	10,728
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$282,183</b>	<b>\$252,727</b>
	<b>Operating Income / (Loss)</b>	<b>\$58,374</b>	<b>\$49,084</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$38	\$51
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	(7,058)	(7,667)
427	Interest (Expense)	(4,130)	(5,769)
	<b>Total Other Income / (Expense)</b>	<b>(\$11,150)</b>	<b>(\$13,385)</b>
	<b>Net Income / (Loss)</b>	<b>\$47,224</b>	<b>\$35,699</b>



**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.4	0.4
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.4	0.4
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.7	0.7
Meter reader	0.0	0.0	0.2	0.2
Customer Service	0.0	0.0	0.5	0.5
Accounting	0.0	0.0	0.2	0.2
Business Office	0.0	0.0	0.8	0.8
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.2	0.2
Other	0.0	0.0	0.0	0.0
<b>Total</b>	0.0	0.0	3.4	3.4

ABRA WATER COMPANY, INC.  
 Annual Report  
 Supplemental Financial Data (Long-Term Debt)  
 12/31/20

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued		9/15/2003	9/6/2006	
Source of Loan		WIFA	WIFA	
ACC Decision No.		65917	68693	
Reason for Loan		STORAGE TANK	ARSENIC PLANT	
Dollar Amt. Issued		\$163,888	\$186,499	
Amount Outstanding		\$31,305	\$99,271	
Date of Maturity		8/1/2023	8/1/2026	
Interest Rate		4.20%	5.60%	
Current Year Interest		\$412	\$2,688	
Current Year Principal		\$9,745	\$13,747	

Meter Deposit Balance at Test Year End:	\$19,425
---	----------

Meter Deposits Refunded During the Test Year:	\$3,900
---	---------

**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.**





<b>Water Utility Plant Description (Continued)</b>
--

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

<b>TREATMENT EQUIPMENT:</b>	Chlorine treatment system. Arsenic treatment plant.
<b>STRUCTURES:</b>	Chlorine treatment building. Arsenic treatment building. Water haul standpipe. 2 storage tanks. Booster station pump house.
<b>OTHER:</b>	None

**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 365
- (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	188
Method used:	(a)

Customer and Other Information	
Name of the System:	ABRA WATER COMPANY, INC.
ADEQ Public Water System Number:	13-001
ADWR PCC Number:	13-001+D9

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	687	0	8	0	0
February	688	0	8	0	0
March	694	0	8	0	0
April	696	0	8	0	0
May	691	0	8	0	0
June	699	0	8	0	0
July	703	0	8	0	0
August	696	0	8	0	0
September	706	0	8	0	0
October	707	0	8	0	0
November	709	0	8	0	0
December	711	0	8	0	0

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.

None

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

ABRA WATER COMPANY, INC.  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	ABRA WATER COMPANY, INC.
ADEQ Public Water System Number:	13-001
ADWR PCC Number:	91-000605.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	5	
February	0	2	
March	0	2	
April	0	4	
May	0	4	
June	0	5	
July	0	12	
August	0	1	
September	0	5	
October	0	2	
November	0	0	
December	0	5	
<b>Total</b>	<b>0</b>	<b>47</b>	<b>0</b>

**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.

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2020 was

\$9,222

If no property taxes paid, explain why.

Grey cell for explanation of no property taxes paid.

**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): YAVAPAI COUNTY  
Name (owner or official) title: Rod Yarbro Sec./TREASURER  
Company name: 0 ABRA WATER COMPANY INC.

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

FOR THE YEAR ENDING: 12/31/20

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:

\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
signature of owner/official

\_\_\_\_\_  
telephone no.

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

THIS 16 DAY OF March 2021  
(month) and (year)

MY COMMISSION EXPIRES April 15 2024  
(date)

[Signature]  
(signature of notary public)





for Income Tax Statement of Certification

Verification:

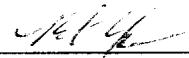
State of ARIZONA I, the undersigned of the  
(state name)

County of (county name): YAVAPAI COUNTY  
Name (owner or official) title: Bob Garbro Sec/Treas.  
Company name: ABRA WATER COMPANY INC.

FOR THE YEAR ENDING: 12/31/20

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 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.



signature of owner/official

0

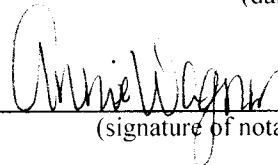
telephone no.

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

YAVAPAI  
(county name)

THIS 16 DAY OF MARCH 2021  
(month) and (year)

MY COMMISSION EXPIRES April 15 2024  
(date)



(signature of notary public)