

ANNUAL REPORT

Of

Company Name: AVM-2005, LLC
7150 E. Camelback Rd., Ste. 400

Mailing Address: Scottsdale AZ
85251

Docket No.: W-20496A
For the Year Ended: 12/31/24

RECEIVED BY EMAIL
2/25/2025, 11:18AM
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: 2/24/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
AVM-2005, LLC

A Class ☐ Utility

For the Calendar Year Ended: 12/31/24

Primary Address:

7150 E. Camelback Road, Suite 400			
City:	Scottsdale	State:	Arizona
Zip Code:	85251		

Telephone Number:

(480) 998-5440

Date of Original Organization of Utility:

2005

Person to whom correspondence should be addressed concerning this report:

Name:

Winnie Stolper

Telephone No. :

(480) 998-5440

Address:

7150 E. Camelback Road, Suite 400			
City:	Scottsdale	State:	Arizona
Zip Code:	85251		

Email:

winnie@areadinc.com

On-Site Manager
Name:

Norm Baker

Telephone No. :

(480) 998-5440

Address:

7150 E. Camelback Road, Suite 400			
City:	Scottsdale	State:	Arizona
Zip Code:	85251		

Email:

norm@areadinc.com

Management Contact
Name:

Bijan Afkahi

Telephone No. :

(480) 998-5440

Address:

7150 E. Camelback Rd., #400			
City:	Scottsdale	State:	Arizona
Zip Code:	85251		

Email:

bijan@areadinc.com

NA
Name:

NA

Telephone No. :

NA

Address:

NA			
City:	NA	State:	Arizona
Zip Code:	0		

Email:

NA

NA
Name:

NA

Telephone No. :

NA

Address:

NA			
City:	NA	State:	Arizona
Zip Code:	0		

Email:

NA

Ownership:

Limited Liability Company ("LLC")

Counties Served:

Pinal

Important changes during the year
--

	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
--	-----

	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.
--	---

	Yes, we were notified that ADEQ did not receive the yearly Disinfection Byproducts Report by 10/10/24. The test was completed on time. Upon submitting the report on 10/24/24, we were in compliance.
--	---

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	\$0	\$0	\$0	\$0
302	Franchises	292,897	0	0	292,897	292,897	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	0	0	0	0	0	0
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	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	0	0	0	0	0	0
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	0	0	0	0	0	0
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	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	40,000	0	0	40,000	28,000	12,000
342	Stores Equipment	16,000	0	0	16,000	11,200	4,800
343	Tools, Shop and Garage Equipment	3,200	0	0	3,200	2,240	960
344	Laboratory Equipment	800	0	0	800	560	240
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
	Totals	\$352,897	\$0	\$0	\$352,897	\$334,897	\$18,000

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	0.00%	\$0
302	Franchises	292,897	0	0	292,897	292,897	0	0.00%	0
303	Land and Land Rights	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	0	0	0	0	0	0	0.00%	0
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	0	0	0	0	0	0	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	0	0	0	0	0	0	0.00%	0
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	0	0	0	0	0	0	0.00%	0
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	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	40,000	0	0	40,000	0	40,000	4.00%	1,600
342	Stores Equipment	16,000	0	0	16,000	0	16,000	4.00%	640
343	Tools, Shop and Garage Equipment	3,200	0	0	3,200	0	3,200	4.00%	128
344	Laboratory Equipment	800	0	0	800	0	800	4.00%	32
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$352,897	\$0	\$0	\$352,897	\$292,897	\$60,000		\$2,400

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	4.00%
Amortization of CIAC	\$0

Less: Amortization of CIAC **\$0**

DEPRECIATION EXPENSE **\$2,400**

AVM-2005, LLC
Annual Report
Balance Sheet Assets
12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current and Accrued Assets			
131	Cash		\$0	\$0
134	Working Funds		999	5,223
135	Temporary Cash Investments			
141	Customer Accounts Receivable		26	1,110
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		50	
	Total Current and Accrued Assets		\$1,075	\$6,333
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$352,897	\$352,897
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(333,354)	(334,897)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$19,543	\$18,000
	Total Assets		\$20,618	\$24,333

*Note these items feed automatically from AR3 UPIS Page 4

AVM-2005, LLC
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable		\$324,380	\$326,879
232	Notes Payable (Current Portion)		0	
234	Notes Payable to Associated Companies		65,338	80,138
235	Customer Deposits		2,400	1,450
236	Accrued Taxes		64	147
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$392,182	\$408,614
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$449,377	\$449,377
	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		\$0	\$0
	Total Liabilities		\$841,559	\$857,991
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		(821,941)	(834,658)
218	Proprietary Capital (Sole Props and Partnerships)		1,000	1,000
	Total Capital		(\$820,941)	(\$833,658)
	Total Liabilities and Capital		\$20,618	\$24,333

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

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2024 - 12/31/2024	Last Year 01/01/2023 - 12/31/2023
	Operating Revenue		
461	Metered Water Revenue	\$12,705	\$11,638
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	1,235	270
474	Other Water Revenue	0	0
	Total Revenues	\$13,940	\$11,908
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	17,985	16,987
615	Purchased Power	0	0
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	6,881	5,885
620.2	Office Supplies and Expense	0	0
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	330	564
636	Contractual Services - Other	0	0
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	980	966
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	0	0
403	Depreciation Expense (From Schedule AR4)	2,400	2,400
408	Taxes Other Than Income	0	0
408.11	Property Taxes	370	422
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$28,946	\$27,224
	Operating Income / (Loss)	(\$15,006)	(\$15,316)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	2,288	(57)
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$2,288	(\$57)
	Net Income / (Loss)	(\$12,718)	(\$15,373)

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	0.3	0.0	0.0	0.3
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.4	0.0	0.0	0.4
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.4	0.0	0.0	0.4
Other	0.0	0.0	0.0	0.0
Total	1.1	0.0	0.0	1.1

AVM-2005, LLC
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/24

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	5/4/2007	9/1/2007	NA	NA
Source of Loan	Related Party	Related Party	NA	NA
ACC Decision No.	0	0	NA	NA
Reason for Loan	Purchase	Expense	NA	NA
Dollar Amt. Issued	\$350,000	\$47,000	NA	NA
Amount Outstanding	\$350,000	\$47,000	NA	NA
Date of Maturity	None	None	NA	NA
Interest Rate	0.00%	0.00%	NA	NA
Current Year Interest	\$0	\$0	NA	NA
Current Year Principal	\$0	\$0	NA	NA

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.

[illegible]

Name of system water delivered to:	NA	
ADWR PCC Number:	NA	
Source of water delivered to another system	NA	

Name of system water received from:	NA		
ADWR PCC Number:		NA	
Source of water received	NA		
Well registry 55# (55-XXXXXX):	NA		

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense ⁶	Purchased Power (kWh)7
January	0.00	0.00	0.00	0.00	0.00	\$0	0
February	0.00	0.00	0.00	0.00	0.00	1	1
March	0.00	0.00	0.00	0.00	0.00	2	2
April	0.00	0.00	0.00	0.00	0.00	3	3
May	0.00	0.00	0.00	0.00	0.00	4	4
June	0.00	0.00	0.00	0.00	0.00	5	5
July	0.00	0.00	0.00	0.00	0.00	6	6
August	0.00	0.00	0.00	0.00	0.00	7	7
September	0.00	0.00	0.00	0.00	0.00	8	8
October	0.00	0.00	0.00	0.00	0.00	9	9
November	0.00	0.00	0.00	0.00	0.00	10	10
December	0.00	0.00	0.00	0.00	0.00	11	11
Totals	0.00	0.00	0.00	0.00	0.00	\$66	66

<p>If applicable, in the space below please provide a description for all un-metered water use along with amounts:</p> <p>NA</p>
--

- | |
|---|
| 1 Water withdrawn - Total gallons of water withdrawn from pumped sources. |
| 2 Water sold - Total gallons from customer meters, and other sales such as construction water. |
| 3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems. |
| 4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems. |
| 5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft. |
| 6 Enter the total purchased power costs for the power meters associated with this system. |
| 7 Enter the total purchased kWh used by the power meters associated with this system. |

Water Utility Plant Description			
Name of the System:	NA		
ADEQ Public Water System Number:	NA	NA	
ADWR PCC Number:	NA		

MAINS		
Sizes (inches)	Material	Length (feet)
6.00	PVC	6,600
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

SERVICE LINES		
Material	Percent of system	Year installed
NA	0%	0
NA	0%	0
NA	0%	0
NA	0%	0
NA	0%	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
0	0	0
0	0	0
0	0	0
0	0	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

* 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:	NA
---------------------------------	----

STRUCTURES:	NA
--------------------	----

OTHER:	NA
---------------	----

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

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	37	0	0	0	0
February	37	0	0	0	0
March	37	0	0	0	0
April	37	0	0	0	0
May	37	0	0	0	0
June	37	0	0	0	0
July	37	0	0	0	0
August	37	0	0	0	0
September	37	0	0	0	0
October	37	0	0	0	0
November	37	0	0	0	0
December	37	0	0	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?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

NA

AVM-2005, LLC
Annual Report
Utility Shutoffs / Disconnects
12/31/24

Utility Shutoffs / Disconnects	
Name of the System:	NA
ADEQ Public Water System Number:	0
ADWR PCC Number:	0

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

Other (description): 0

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.

AVM-2005, LLC
Annual Report
Property Taxes
12/31/24

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2024 was
--

\$370

If no property taxes paid, explain why.

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.

Verification and Certification (Taxes)

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

County of (county name):

Maricopa

Name (owner or official) title:

Nariman Afkhami, Managing Member

Company name:

AVM-2005, LLC

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

FOR THE YEAR ENDING:

12/31/24

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

480-998-5440

telephone no.