

**ANNUAL REPORT**

Of

Company Name: Thim Water Corporation  
PO Box 85160

Mailing Address: Tucson AZ  
85754

Docket No.: W-02594A  
For the Year Ended: 12/31/18

**RECEIVED**  
**APR 15 2019**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdefafuente@azcc.gov](mailto:rdefafuente@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: 4/15/2019

4-23-19

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Thim Water Corporation  
A Class  A  Utility

1. For the Calendar Year Ended: 12/31/18

2. Address: 

PO Box 85160			
City: Tucson	State: Arizona	Zip Code: 85754	

3. Telephone Number: 520-623-5172

4. Date of Original Organization of Utility: 11/1/1989

5. Person to whom correspondence should be addressed concerning this report:

Name: Bonnie O'Connor  
Telephone No. : 520-623-5172  
Address: 

PO Box 85160			
City: Tucson	State: Arizona	Zip Code: 85754	

  
Email: info@southwesternutility.com

6. On-Site Manager:

Name: Jason Long  
Telephone No. : 520-431-7723  
Address: 

PO Box 85160			
City: Tucson	State: Arizona	Zip Code: 85754	

  
Email: info@southwesternutility.com

7. Ownership: "S" Corporation

8. Counties Served: Pima

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	\$100			\$100		\$100
302	Franchises	250			250		250
303	Land and Land Rights	1,000			1,000		1,000
304	Structures and Improvements	11,596			11,596	11,596	0
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	34,302			34,302	22,565	11,737
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	30,442			30,442	13,448	16,994
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	7,000			7,000	7,000	0
330.2	Pressure Tanks	14,083			14,083	1,299	12,784
331	Transmission and Distribution Mains	63,139			63,139	18,645	44,494
333	Services	878			878	66	812
334	Meters and Meter Installations	10,590			10,590	4,336	6,254
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment				0		0
340.1	Computer & Software				0		0
341	Transportation Equipment	8,125			8,125	8,125	0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		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
	<b>Totals</b>	<b>\$181,505</b>	<b>\$0</b>	<b>\$0</b>	<b>\$181,505</b>	<b>\$87,080</b>	<b>\$94,425</b>

**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.

Thim Water Corporation  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/18

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$100	\$0	\$0	\$100	\$100	0.00%	\$0
302	Franchises	250	0	0	250	250	0.00%	0
303	Land and Land Rights	1,000	0	0	1,000	1,000	0.00%	0
304	Structures and Improvements	11,596	0	0	11,596	11,596	5.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0			0
306	Lake, River, Canal Intakes	0	0	0	0			0
307	Wells and Springs	34,302	0	0	34,302		5.00%	1,715
308	Infiltration Galleries	0	0	0	0			0
309	Supply Mains	0	0	0	0			0
310	Power Generation Equipment	0	0	0	0			0
311	Pumping Equipment	30,442	0	0	30,442	10,500	5.00%	997
320	Water Treatment Equipment	0	0	0	0			0
320.1	Water Treatment Plants	0	0	0	0			0
320.2	Solution Chemical Feeders	0	0	0	0			0
320.3	Point-of-Use Treatment Devices	0	0	0	0			0
330	Distribution Reservoirs and Standpipes	0	0	0	0			0
330.1	Storage Tanks	7,000	0	0	7,000	7,000	5.00%	0
330.2	Pressure Tanks	14,083	0	0	14,083		5.00%	704
331	Transmission and Distribution Mains	63,139	0	0	63,139		5.00%	3,157
333	Services	878	0	0	878		5.00%	44
334	Meters and Meter Installations	10,590	0	0	10,590	2,600	5.00%	400
335	Hydrants	0	0	0	0			0
336	Backflow Prevention Devices	0	0	0	0			0
339	Other Plant and Misc. Equipment	0	0	0	0			0
340	Office Furniture and Equipment	0	0	0	0			0
340.1	Computer & Software	0	0	0	0			0
341	Transportation Equipment	8,125	0	0	8,125	8,125	5.00%	0
342	Stores Equipment	0	0	0	0			0
343	Tools, Shop and Garage Equipment	0	0	0	0			0
344	Laboratory Equipment	0	0	0	0			0
345	Power Operated Equipment	0	0	0	0			0
346	Communication Equipment	0	0	0	0			0
347	Miscellaneous Equipment	0	0	0	0			0
348	Other Tangible Plant	0	0	0	0			0
	<b>Subtotal</b>	<b>\$181,505</b>	<b>\$0</b>	<b>\$0</b>	<b>\$181,505</b>	<b>\$41,171</b>		<b>\$7,017</b>

Contribution(s) in Aid of Construction (Gross)	\$1,125
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$1,125</u>
Times: Proposed Amortization Rate	5.00%
Amortization of CIAC	\$56

Less: Amortization of CIAC

**DEPRECIATION EXPENSE**

**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.

Thim Water Corporation  
Annual Report  
Balance Sheet Assets  
12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$32,185	\$52,661
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		3,035	3,905
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	<b>Total Current and Accrued Assets</b>		<b>\$35,220</b>	<b>\$56,566</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$181,505	\$181,505
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(80,063)	(87,080)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$101,442</b>	<b>\$94,425</b>
	<b>Total Assets</b>		<b>\$136,662</b>	<b>\$150,991</b>

**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.

\*Note these items feed automatically from AR3 UPIS Page 3

Thim Water Corporation  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$1,338	\$2,510
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		6,012	7,244
236	Accrued Taxes		220	233
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	<b>Total Current Liabilities</b>		<b>\$7,570</b>	<b>\$9,987</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		7,215	7,340
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		1,125	1,125
272	Less: Amortization of Contributions		(165)	(222)
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$8,175</b>	<b>\$8,243</b>
	<b>Total Liabilities</b>		<b>\$15,745</b>	<b>\$18,230</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$150	\$150
211	Other Paid-In Capital		364,363	364,363
215	Retained Earnings		(243,596)	(231,752)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>\$120,917</b>	<b>\$132,761</b>
	<b>Total Liabilities and Capital</b>		<b>\$136,662</b>	<b>\$150,991</b>

**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.

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

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$49,750	\$45,760
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	421	779
	<b>Total Revenues</b>	<b>\$50,171</b>	<b>\$46,539</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	7,985	6,518
618	Chemicals	398	
620	Materials and Supplies		
620.1	Repairs and Maintenance	765	2,105
620.2	Office Supplies and Expense	955	785
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	3,323	2,182
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	11,008	10,697
635	Contractual Services - Water Testing	2,230	1,763
636	Contractual Services - Other	250	315
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	933	757
657	Insurance - General Liability	871	838
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	235	6,826
670	Bad Debt Expense		
675	Miscellaneous Expense	176	1,852
403	Depreciation Expense (From Schedule AR4)	6,960	6,623
408	Taxes Other Than Income		
408.11	Property Taxes	2,485	2,849
409	Income Taxes		
427.1	Customer Security Deposit Interest	174	87
	<b>Total Operating Expenses</b>	<b>\$38,748</b>	<b>\$44,197</b>
	<b>Operating Income / (Loss)</b>	<b>\$11,423</b>	<b>\$2,342</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$420	\$1
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	<b>\$420</b>	<b>\$1</b>
	<b>Net Income / (Loss)</b>	<b>\$11,843</b>	<b>\$2,343</b>

**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.

**Full time equivalent employees**

	Direct Company	Outside service	Total
President	0.0		0.0
Vice-president	0.0		0.0
Manager	0.0		0.0
Engineering Staff	0.0	difficult to	#####
System Operator(s)	0.0	determine	#####
Meter reader	0.0	without	#####
Customer Service	0.0	substantial	#####
Accounting	0.0	analysis	#####
Business Office	0.0		0.0
Rates Department	0.0		0.0
Administrative Staff	0.0		0.0
Other	0.0		0.0
<b>Total</b>	0.0	0.0	#####

**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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.



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

Meter Deposit Balance at Test Year End:	\$250
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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.***





**Water Utility Plant Description (Continued)**

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

<b>TREATMENT EQUIPMENT:</b>	N/A
-----------------------------	-----

<b>STRUCTURES:</b>	N/A
--------------------	-----

<b>OTHER:</b>	N/A
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**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. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	THIM WATER CORP #2
ADEQ Public Water System Number:	AZ0410264
ADWR PCC Number:	91-000483.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	73	0	6	0	0
February	74	0	6	0	0
March	74	0	6	0	0
April	74	0	6	0	0
May	73	0	6	0	0
June	73	0	6	0	0
July	73	0	6	0	0
August	72	0	6	0	0
September	71	0	6	0	0
October	70	0	6	0	0
November	70	0	6	0	0
December	70	0	6	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 (GCPCPD) requirement?   
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?   
 If yes, which AMA?

**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. Copy and paste this sheet as many times as is necessary.

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2018 was

\$2,667

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.

Thim Water Corporation  
Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/18

**Verification and Sworn Statement (Taxes)**

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

County of (county name): Pima  
Name (owner or official) title: Bonnie O'Connor  
Company name: Thim Water Corporation

RECEIVED

APR 15 2019

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE


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

FOR THE YEAR ENDING: 12/31/18

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.

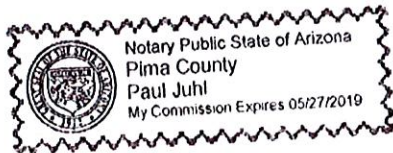
  
\_\_\_\_\_  
signature of owner/official


520-623-5172  
\_\_\_\_\_  
telephone no.

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

THIS 10th DAY OF Pima  
\_\_\_\_\_  
(month) and (year)

MY COMMISSION EXPIRES 5/27/19  
\_\_\_\_\_  
(date)



  
\_\_\_\_\_  
(signature of notary public)



**Verification and Sworn Statement**

**Verification:**

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Pima  
Name (owner or official) title: Bonnie O'Connor  
Company name: Thim Water Corporation

**RECEIVED**  
**APR 15 2019**

ARIZONA CORP COMMISSION  
UTILITIES DIVISION  
DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$53,294

(The amount in the box above includes

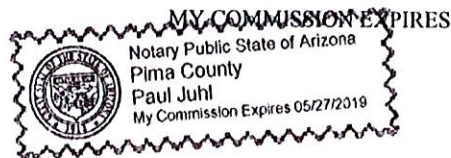
\$3,123 in sales taxes  
billed or collected)

*Bonnie O'Connor*  
signature of owner/official

520-623-5172  
telephone no.

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

THIS 10<sup>th</sup> DAY OF Pima  
(county name)  
April 2019  
(month) and (year)



5/27/19  
(date)  
*Paul Juhl*  
(signature of notary public)

**Verification and Sworn Statement (Residential Revenue)**

**Verification:**

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

County of (county name): Pima  
Name (owner or official) title: Bonnie O'Connor  
Company name: Thim Water Corporation

RECEIVED

APR 15 2019

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$42,564

(The amount in the box above includes

\$2,448 in sales taxes  
billed or collected)

B. O'Connor  
signature of owner/official

520-623-5172  
telephone no.

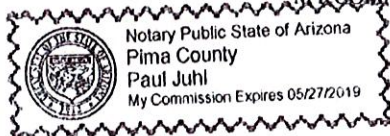
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

Pima  
(county name)

THIS 10<sup>th</sup> DAY OF April 2019  
(month) and (year)

MY COMMISSION EXPIRES

5/27/19  
(date)



[Signature]  
(signature of notary public)

Company	Thim Water Corporation	
Docket No.:	W-02594A	
Name of the System:	THIM WATER CORP #2	
ADEQ Public Water System Number:	AZ0410264	
ADWR PCC Number:	91-000483.0000	

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	2	0
March	0	0	0
April	0	1	0
May	0	0	0
June	0	0	0
July	0	6	0
August	0	3	0
September	0	1	0
October	0	3	0
November	0	1	0
December	0	3	0
<b>Total</b>	<b>0</b>	<b>20</b>	<b>0</b>

**Other (description):** 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.