

ANNUAL REPORT

Of

Company Name:
7313 E. Concho Dr., Ste. B

Mailing Address: Kingman AZ
86401

Docket No.: W-02168A
For the Year Ended:

**RECEIVED
BY EMAIL**

6/26/2020 11:54 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: 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:

Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Truxton Canyon 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:

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.
	<div style="border: 1px solid black; height: 60px;"></div>

	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.
	<div style="border: 1px solid black; height: 60px;"></div>

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	20			20	20	0
304	Structures and Improvements	159			159	159	0
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	19,791	8,900		28,691	19,939	8,752
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	11,462			11,462	11,462	0
320	Water Treatment Equipment	698,507			698,507	72,415	626,092
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				0		0
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	898,520			898,520	331,940	566,580
333	Services	64,236			64,236	64,236	0
334	Meters and Meter Installations	206,069			206,069	206,069	0
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment	406			406	406	0
340	Office Furniture and Equipment				0		0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		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	292,539			292,539	292,539	0
348	Other Tangible Plant				0		0
	Totals	\$2,191,709	\$8,900	\$0	\$2,200,609	\$999,185	\$1,201,424

Truxton Canyon 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	20	0	0	20	20	0		0
304	Structures and Improvements	159	0	0	159	159		3.33%	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	19,791	8,900	0	28,691	19,791	8,900	3.33%	148
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	11,462	0	0	11,462	11,462	0	12.50%	0
320	Water Treatment Equipment	698,507	0	0	698,507		698,507	3.33%	23,260
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	5.00%	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	898,520	0	0	898,520		898,520	2.00%	17,970
333	Services	64,236	0	0	64,236	64,236		8.33%	0
334	Meters and Meter Installations	206,069	0	0	206,069	206,069		8.33%	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	406	0	0	406	406	0	6.67%	0
340	Office Furniture and Equipment	0	0	0	0		0	20.00%	0
340.1	Computer & Software	0	0	0	0		0		0
341	Transportation Equipment	0	0	0	0		0	5.00%	0
342	Stores Equipment	0	0	0	0		0		0
343	Tools, Shop and Garage Equipment	0	0	0	0		0	5.00%	0
344	Laboratory Equipment	0	0	0	0		0	5.00%	0
345	Power Operated Equipment	0	0	0	0		0	10.00%	0
346	Communication Equipment	0	0	0	0		0	10.00%	0
347	Miscellaneous Equipment	292,539	0	0	292,539	292,539	0		0
348	Other Tangible Plant	0	0	0	0		0		0
	Subtotal	\$2,191,709	\$8,900	\$0	\$2,200,609	\$594,682	\$1,605,927		\$41,379

Contribution(s) in Aid of Construction (Gross)
 Less: Non Amortizable Contribution(s)
 Fully Amortized Contribution(s)
 Amortizable Contribution(s)
 Times: Proposed Amortization Rate
Amortization of CIAC

\$0
 2.58%
 \$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Truxton Canyon 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		\$53,259	\$18,042
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		70,007	2,328
146	Notes Receivable from Associated Companies			40,000
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		23,577	24,322
	Total Current and Accrued Assets		\$146,843	\$84,692
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,191,709	\$2,200,609
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(957,806)	(999,185)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$1,233,903	\$1,201,424
	Total Assets		\$1,380,746	\$1,286,116

*Note these items feed automatically from AR3 UPIS Page 4

Truxton Canyon 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		\$131,200	\$4,054
232	Notes Payable (Current Portion)		1,481	1,481
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes		157,894	168,893
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$290,575	\$174,428
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$669,343	\$747,181
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		816,180	816,180
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		63,429	63,429
272	Less: Amortization of Contributions		(63,429)	(63,429)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$816,180	\$816,180
	Total Liabilities		\$1,776,098	\$1,737,789
	Capital Accounts			
201	Common Stock Issued		\$11,000	\$11,000
211	Other Paid-In Capital		484,183	484,183
215	Retained Earnings		(890,535)	(946,856)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(\$395,352)	(\$451,673)
	Total Liabilities and Capital		\$1,380,746	\$1,286,116

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

Truxton Canyon 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	\$504,655	\$484,483
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)	182,187	170,541
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	\$686,842	\$655,024
	Operating Expenses		
601	Salaries and Wages	\$198,401	\$180,916
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	85,476	110,375
616	Fuel for Power Production	448	
618	Chemicals	3,022	1,929
620	Materials and Supplies	2,285	28,677
620.1	Repairs and Maintenance	19,885	34,218
620.2	Office Supplies and Expense	23,001	20,597
630	Contractual Services		
631	Contractual Services - Engineering		32,133
632	Contractual Services - Accounting	6,300	6,565
633	Contractual Services - Legal	18,575	19,901
634	Contractual Services - Management Fees	61,992	87,822
635	Contractual Services - Water Testing	3,708	2,375
636	Contractual Services - Other		295
640	Rents		
641	Rental of Building/Real Property	6,515	6,072
642	Rental of Equipment	17,745	12,285
650	Transportation Expenses	42,134	42,663
656	Insurance- Auto	5,165	
657	Insurance - General Liability	4,570	1,644
657.1	Insurance - Health and Life		
658	Insurance- Workers Comp.	5,025	
665	Regulatory Commission Expense - Rate	5,646	13,442
670	Bad Debt Expense		
675	Miscellaneous Expense	622	42,062
403	Depreciation Expense (From Schedule AR4)	41,379	60,723
408	Taxes Other Than Income	31,376	41,002
408.11	Property Taxes	49,204	84,532
409	Income Taxes		
427.1	Customer Security Deposit Interest	55,968	
	Total Operating Expenses	\$688,441	\$830,228
	Operating Income / (Loss)	(\$1,600)	(\$175,204)
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		(9,176)
	Total Other Income / (Expense)	\$0	(\$9,176)
	Net Income / (Loss)	(\$1,600)	(\$184,380)

Truxton Canyon 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	1.0			1.0
Engineering Staff				0.0
System Operator(s)	1.0			1.0
Meter reader	2.0			2.0
Customer Service	1.0			1.0
Accounting				0.0
Business Office	1.0			1.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	6.0	0.0	0.0	6.0

Truxton Canyon 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	4/1/2016	7/28/2017	1/18/2019	
Source of Loan	WIFA	WIFA	WIFA	
ACC Decision No.	75553			
Reason for Loan	Arsenic Treat	Waulapi One Well	Waulapi One Well	
Dollar Amt. Issued	\$350,950	\$347,557	\$98,179	
Amount Outstanding				
Date of Maturity	3/1/2036	7/1/2037	7/1/2037	
Interest Rate	1.68%	2.00%	3.64%	
Current Year Interest	\$6,327	\$5,360	\$516	
Current Year Principal	\$11,312	\$12,502	\$1,621	

Meter Deposit Balance at Test Year End:	\$7,380
---	---------

Meter Deposits Refunded During the Test Year:	\$4,000
---	---------

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:	Arsenic Treatment and Chlorination
-----------------------------	------------------------------------

STRUCTURES:	Arsenic Treatment Plant
--------------------	-------------------------

OTHER:	
---------------	--

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

Method used:

Customer and Other Information	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	961		13		
February	961		13		
March	961		13		
April	962		13		
May	962		13		
June	967		13		
July	969		13		
August	964		13		
September	978		13		
October	965		13		
November	972		13		
December	977		13		

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.

Truxton Canyon Water Company, Inc
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	0
ADEQ Public Water System Number:	8035
ADWR PCC Number:	

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January		8	
February		11	
March		7	
April		12	
May		5	
June		8	
July		4	
August		4	
September		5	
October		2	
November		4	
December		4	
Total	0	74	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.

Property Taxes

Amount of actual property taxes paid during Calendar Year 2019 was

\$27,152

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): Mohave
Name (owner or official) title: Teresa Neal-Manager
Company name: Truxton Canyon 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: _____

Teresa Neal

signature of owner/official

702-256-4006

telephone no.

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

THIS

15th

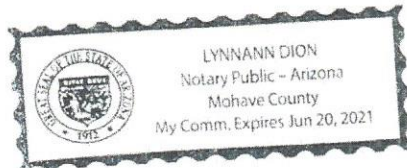
DAY OF

Mohave
(county name)

June 2020
(month) and (year)

MY COMMISSION EXPIRES

June 20, 2021
(date)



Lynnann Dion
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Mohave
Name (owner or official) title: Teresa Neal-Manager
Company name: Truxton Canyon 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 (\$)

\$686,842

(The amount in the box above includes

\$31,316 in sales taxes
billed or collected)

RECEIVED
BY EMAIL

6/15/2020 10:35 PM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Teresa Neal
signature of owner/official

702-256-4006

telephone no.

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

THIS

15th

DAY OF

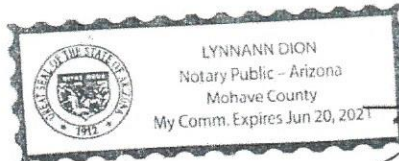
Mohave
(county name)

June 2020

(month) and (year)

MY COMMISSION EXPIRES

June 20, 2021
(date)



[Signature]
(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): Mohave
Name (owner or official) title: Teresa Neal-Manager
Company name: Truxton Canyon 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 (\$)

\$686,841

(The amount in the box above includes

\$31,316 in sales taxes
billed or collected)

**RECEIVED
BY EMAIL**

6/15/2020 10:35 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Teresa Neal
signature of owner/official

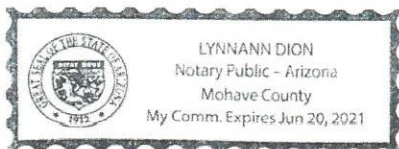
702-256-4006
telephone no.

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

Mohave
(county name)

THIS 15th DAY OF June 2020
(month) and (year)

MY COMMISSION EXPIRES June 20, 2021
(date)



Lynnann Dion
(signature of notary public)

Full Gross-up Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Mohave
Name (owner or official) title: Teresa Neal-Manager
Company name: Truxton Canyon 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
BY EMAIL**

6/15/2020 10:35 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Teresa Neal

signature of owner/official

702-256-4006

telephone no.

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

Mohave

(county name)

THIS

15th

DAY OF

June 2020

(month) and (year)

MY COMMISSION EXPIRES

June 20, 2021

(date)

Lynnann Dion

(signature of notary public)

