

ARIZONA CORPORATION COMMISSION



**RATE APPLICATION
FOR WATER COMPANIES
WITH ANNUAL GROSS OPERATING REVENUES
(INCLUDING REQUESTED RATE RELIEF)
OF LESS THAN \$1,000,000
PER ARIZONA ADMINISTRATIVE CODE R14-2-103
Details at website: www.azcc.gov**

Hillcrest Water Company
UTILITY NAME

December 31, 2024
TEST YEAR ENDED

W-02128A
DOCKET NUMBER

Invoices required to be submitted are listed in the checklist on page 2

You must complete ALL items in the application according to the instructions provided. If you have any questions regarding the application, please call (602) 542-4251 for ACC Small Water Ombudsman assistance or see our website at: www.azcc.gov

IN ORDER TO PROCESS YOUR APPLICATION PLEASE FORWARD THE ORIGINAL PLUS ONE COPY OF THE **APPLICATION** TO:

ARIZONA CORPORATION COMMISSION DOCKET CONTROL CENTER
1200 WEST WASHINGTON STREET
PHOENIX, ARIZONA 85007

OR YOU MAY USE THE COMMISSION'S EFILING PORTAL TO SUBMIT YOUR DOCUMENTS ELECTRONICALLY. VISIT THIS WEBSITE FOR MORE INFORMATION: <http://www.azcc.gov/eFileforUtilitiesInstruction.asp>

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WATER RATE APPLICATION CHECKLIST

Please use the following checklist to ensure that all necessary attachments are included in the application. Provide an explanation for any omitted item.

ORIGINAL APPLICATION PACKAGE ITEMS

1. ☒ The Arizona Department of Revenue (“ADOR”) certificate of compliance letter of good standing. To request a certificate of compliance, use the Tax Clearance Application (Form# 10523) found on the ADOR website at <http://www.azdor.gov/Forms/Other.aspx>. (Submit the certificate of compliance with your application.) **Has been requested and will be provided if received in time.**
2. ☒ The utility’s most recent Arizona Department of Environmental Quality (“ADEQ”) annual sampling fee invoice for its Monitoring Assistance Program. In addition, please provide a list showing the individual cost components for all other water testing conducted during the Test Year. This list should include at a minimum the following details: date, vendor/lab, cost, and test(s) performed. (Acct. 635)
3. ☒ Plant Additions - Please provide a list of all plant additions by year and NARUC plant account number put into service since the last rate case. For each plant addition project over \$2,500 in total costs, please provide (1) a list showing the individual cost components of the plant addition and (2) provide invoices to support each cost component shown on the list. Please cross-reference the amounts on the list to the invoices.
4. ☒ Salaries and Wages – Please provide a list of all employees broken down by position, with a list of their duties and responsibilities. Individual employee salary information needs to be provided directly to Commission Staff within 10 days of filing the application (Acct. 601) **NA**
5. ☒ Purchased Water – Please provide (1) a list showing the individual cost components of the total purchased water expense and (2) invoices to support the **three** highest amounts shown on the list. (Acct. 610) **NA**
6. ☒ Purchased Power – Please provide (1) a list showing the individual cost components of the total purchased power expense and (2) invoices to support the **three** highest amounts shown on the list. (Acct. 615)
7. ☒ Repairs and Maintenance – Please provide (1) a list showing the individual cost components of the total purchased repairs and maintenance expense and (2) invoices to support the **three** highest amounts shown on the list. (Acct. 620.1)
8. ☒ Outside/Contractual Services – Please provide (1) a list showing the individual cost components of the total purchased outside services expense and (2) invoices to support the **three** highest amounts shown on the list for each of the sub-accounts. (Accts. 630-634 and 636)
9. ☒ Miscellaneous Expense – Please provide (1) a list showing the individual cost components of the miscellaneous expense and (2) invoices to support the **three** highest amounts shown on the list. (Acct. 675)
10. ☒ Statements from the county for Property Tax expenses incurred during the Test Year. (Acct. 408.11)

GENERAL INSTRUCTIONS

Processing the request for a rate adjustment requires completion of ALL PARTS of this application, including associated schedules. Specifically schedules 1-13 of the Excel file are required and should be submitted with the application. Schedules 14-18 are optional. Work papers 1, 3, 4, and 5 are required to be completed and to be made available to Staff as part of the rate case, but do not need to be filed as part of the application. Complete the Narrative Description of the Application for Rate Adjustment on pages 4 and 5, as well as the statements on pages 6 through 8. Read the accompanying instructions, download the associated excel file and fill out schedules 1 through 13 and any supplemental schedules and associated surcharge/adjustor mechanisms included in the workbook. Dollar amounts should be rounded to the nearest dollar. NO ENTRY SHOULD BE LEFT BLANK. If an amount is zero, enter a zero. **Any application that is found to be insufficient will not be processed until the deficiencies are corrected per A.A.C. R14-2-103.B.7.**

A completed application also **requires** notification of customers of the rate request. The format of the customer notification letter is provided on page 15 of this application. Use the language and form of this letter in notifying customers. Schedules 7 and 8 of the application must also be sent with the notice. A copy the notice and schedules, together with a **notarized** cover letter stating the method of customer notification and the date the notification was sent to the customers, **must** be docketed within 15 days of the filing of the application. Note the notice should not be sent to customers until the application is docketed, as the notice requires the full docket number.

Please provide any supplementary information the Company believes will assist in the evaluation of the rate request. For example, if expense items are substantially different from the latest annual report filed with the Commission, or if significant plant additions have been made since the prior rate increase, attach supporting explanations for those changes to the application. Clearly label any attachments and staple them to the application.

Selection of a Test Year for the utility is an important part of the application. A Test Year older than the year reflected in the most current Annual Report filed with the Utilities Division is usually considered outdated. Questions regarding the selection of a Test Year should be addressed to the ACC's Small Water Ombudsman Office at (602) 542-2556.

NARRATIVE DESCRIPTION OF APPLICATION FOR RATE ADJUSTMENT

Instructions:

Please provide the reasons for your requested rate adjustment by checking the appropriate box(es) below. If desired, the Company may also attach a written narrative regarding its reasons for the requested rate adjustment. Your narrative may also include efforts made by the utility to control costs/expenses and/or mitigate the amount of rate adjustment.

- ☒ Changes in current, compared to past operations that necessitate the rate adjustment.

Please explain:

The current rates have been in effect since June of 2002, and costs have risen significantly since then, especially in the years since the pandemic and we are not able to continue operating the utility at a loss and need rate relief.

- ☒ Descriptions and/or calculations of adjustments made to amounts that are included in this application that are different than amounts recorded in your books/ledgers (pro forma adjustments).

Please explain:

The Company proposes a pro forma adjustment to management fees of \$2,650 to reflect an increase from \$18.80 per month per customer to \$20.00.

- ☐ Significant factors influencing your revenues, expenses and/or rate base. Please explain:

NA

- ☒ Anticipated growth/decline in customers expected in the next two years, the amount of anticipated construction to serve those customers, and how financed; the type of customers served by the utility, e.g. residential, irrigation, small retail businesses, large commercial, etc. Please explain:

None at this time but the Company is working with the community to identify potential improvements that need to be made to the system and will address those in a future filing once identified.

- ☐ Anticipated construction.

Please explain:

NA

- ☐ Efforts made to encourage conservation of water through the proposed rate design or through other means.

Please explain:

NA

☒ Other factors.

Please explain:

The Company has been working diligently to prepare and file this application with the assistance of the ACC's Small Water Ombudsman. Significant work went into using a 2024 test year, and despite 2025 information now being available, we'd like to move forward with using the 2024 test year, as the operating circumstances have not changed. In further support of using a 2024 test year, the financial performance of the utility isn't that different than what is presented in this application, and we are willing to wait to seek recovery of the plant additions for 2025 until the next rate case, which is currently anticipated to be in the next 2 to 5 years.

Company Name: Hillcrest Water Company	Test Year Ended: December 31, 2024
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AFFILIATE RELATIONSHIP

Please indicate a **yes** or **no** answer to the questions below and provide an explanation where necessary.

An affiliate relationship is one where an entity is directly or indirectly controlled by or controls another entity. This includes but is not limited to the power to direct the management policies of such entity, whether through ownership of voting securities, by contract, or otherwise.

Does the Company have a relationship with another entity that may include corporations, partnerships, sole proprietorships, limited liability corporations (LLCs), as well as common ownership of a water company and another entity such as a development company or wastewater company? **No**

If **Yes**, please identify the affiliate.

NA

Are any assets owned jointly with any affiliated or subsidiary entities? **No**

If **Yes**, please provide a description of each jointly owned asset, its cost, and the percentage of the asset owned by the utility. (Please note the amounts reported on Schedules 3 through 5 should only include the percentage of plant owned by the utility.)

NA

Were any of the assets constructed or acquired from an affiliated or subsidiary entity? **No**

If **Yes**, please identify the affiliated entity, the relationship with the utility, and a detailed listing of all transactions reflected in the Plant accounts. Also include detail for other balance sheet accounts, such as Advances, Contributions in Aid of Construction, inter-company payables and receivables, as well as affiliated revenues and expenses from the Company's Income Statement.

NA

STATEMENTS IN SUPPORT OF RATE REQUEST

Complete the following statements in support of your rate request.

Hillcrest Water Company (the “Company”) requests an adjustment in the existing rates charged by the Company. The information contained in this application is based upon a twelve-month Test Year ending December 31, 2024. The Company had total operating revenues of \$44,989, served 184 metered and 0 un-metered customers, and sold 3,512,605 gallons of water during the Test Year.

The Company is requesting an increase in revenues in the amount of \$48,100. Total annual operating revenues, if the Company is granted the rate adjustment, will be \$93,089. The Company is also proposing an Original Cost Rate Base of \$75,646. By completing this application in support of the Company’s request for a rate adjustment, the Company realizes that Original Cost Less Depreciation (“OCLD”) plant information will be used to determine the fair value rate base, i.e., the Company waives the right to Reconstruction Cost New. The increase proposed by the Company would result in the typical bill for the average customer increasing from \$19.92 to \$40.15 as shown on Schedule 7a.

Is the Company current on all property taxes? Yes

Is the Company current on all sales taxes? (Please see checklist item 2 on page 2.) Yes

Does the Company currently have a Curtailment Plan on file with the Commission? Yes

Does the Company currently have a Backflow Prevention Tariff on file with the Commission?
Yes

The Company intends to notify its customers of its application for a rate adjustment on 8/20/2026. **A COPY OF THE NOTICE WITH A NOTARIZED COVER LETTER STATING THE METHOD OF CUSTOMER NOTIFICATION, AS WELL AS THE DATE OF THE NOTIFICATION, WILL BE PROVIDED SUBSEQUENT TO THE APPLICATION BEING FILED. (See page 15)**

Please identify the utility's organizational structure: "C" Corporation

Note: If a corporation, please list stockholders and the respective number of shares owned below. Attach additional pages if needed.

Stockholders	Number of Shares Owned
THE MB DUNLAP TRUST	28,000

I have read and completed this application, and to the best of my knowledge all the information contained herein, and attached to this application, is true and correct.

Name of Authorized Representative (print): Douglas Fant	Company Name: Hillcrest Water Company
Title: Advisor	Address: PO Box 85160
Signature: e:/Douglas Fant	Tucson, AZ, 85754
Date: 8/10/2026	Phone Number: 520-623-5172
E-mail Address: dfantlaw@earthlink.net	Fax Number: NA

CURRENT AND PROPOSED RATES AND CHARGES INSTRUCTIONS

Complete the cells highlighted in gray on schedule 7 in the associated spreadsheet, showing rates and charges currently in effect, and those proposed by the Company. Specify the customer class or classes (i.e., residential, commercial, industrial, irrigation, all, or other classes) in the drop-down boxes in column B. Please note that per Decision No. 75626¹, in order to provide clarity and consistency the Commission has issued policy guidelines where at least 50% of the total revenue requirement should be generated by the basic service charge and the first tier, and that no less than 10% and no more than 20% of the total revenue requirement should be generated by the third or highest tier.

MONTHLY CHARGE:

Enter the monthly minimum (or service) charge and gallons included in the minimum for each meter size. For example, enter "\$12.00 for zero gallons." Propose a monthly minimum (or basic service) charge for every meter size listed on page 9. Also, enter the commodity (or excess) charge for the gallonage the customer will be charged for gallons used over those included in the minimum charge. For example, enter "\$1.25 per 1,000 gallons." If excess charges vary with gallonage used, enter the rates and gallons covered in each tier of consumption in the space provided. For example:

First Tier	Up to 3,000 gallons	\$1.00 per 1,000 gallons
Second Tier	3,001 to 10,000 gallons	\$1.50 per 1,000 gallons
Third Tier	Over 10,000 gallons	\$2.50 per 1,000 gallons

If a flat rate, rather than a metered rate, is currently approved or proposed, enter the monthly rate in the space provided. A "flat rate" is a charge that is not based on gallons used. (For example, \$10.00 for all the water you can use.) If the Company currently has a flat rate and wishes to continue this rate, please contact the ACC's Small Water Ombudsman Office (602) 542-2556. It is likely that Staff will **not** recommend the continuation of such a rate.

¹ Decision No. 75626 issued on July 25, 2016, page 13 lines 14-24.

SERVICE CHARGES INSTRUCTIONS

Listed below are current and proposed service charges as appropriate. Commission Rules should be consulted in proposing new service charges. Please complete the information highlighted in gray on Schedule 8 of the spreadsheet. List current and proposed rates, as well as any service charges not listed below that the Company proposes to charge.

Service Charge (Commission Rule)	Description
Service Line and Meter Installation Charge (R14-2-405.B)	A refundable Advance in Aid of Construction paid by a new customer to cover the cost of installing all customer piping up to the meter, as well as the cost of installing the meter. Propose a charge for every meter size listed on page 11.
Establishment (R14-2-403.D.1)	A charge covering the cost to establish a new account for a person requesting service when the utility needs only to install a meter for initial establishment, reestablishment, or reconnection.
After Hours Service Charge (R14-2-403.D.2)	A charge covering the cost of establishment, re-establishment and reconnection-delinquent after normal hours at the customer's request or for the customer's convenience. After Hours Service Charge will be in addition to the charge for any utility service provided.
Meter Test (R14-2-408.F)	A charge for testing the accuracy of a meter upon a customer's request. No charge will be levied if the meter is found to be in error by more than +/- three (3) percent.
Deposit (R14-2-403.B)	A refundable security deposit not exceeding two times the average residential class bill for residential customers, and not exceeding two and one-half times a non-residential customer's estimated maximum monthly bill.
Deposit Interest (R14-2-403.B.3)	Annual percentage interest rate applied to customer deposits. A six percent rate shall be applied if the company does not specify an interest rate with the Commission.
Re-establishment (R14-2-403.D.1)	A charge for service at the same location where the same customer had ordered a service disconnection within the preceding twelve-month period.
NSF Check (R14-2-409.F.1)	A fee for each instance where a customer tenders payment for utility service with an insufficient funds check.
Deferred Payment (R14-2-409.G.6)	Applicable monthly finance charges (interest rate) applied in a deferred payment agreement between the company and a customer.
Meter Re-read (R14-2-408.C.2)	Charge for a customer requested re-read of meter applicable when the original reading was found not to be in error.

UTILITY PLANT IN SERVICE INSTRUCTIONS

Instructions for Title sheet

To assist with the completion of Schedule 3 please refer to the Commission Decision issued in the Company's prior rate case. That Decision established the value for the Original Cost of the plant and accumulated depreciation at the end of the prior test year. It may be necessary to refer to the associated Staff Report for individual account detail relating to the totals listed in the Decision. Update the cells highlighted in grey in columns I and J with this information.

Instructions for the Work papers

Please complete work papers 1, 3, 4, and 5. These work papers are not required to be printed off and filed with the application but will be requested by Staff to assist with the audit of the rate case. On the work papers update all cells highlighted in grey. This includes the year(s) on work paper 1, which should begin with the year immediately following the test year in the last rate case through the test year in the current application, and the dollar amounts of all plant additions and retirements for each account by year.

Note: For assistance with any of the above, please contact the ACC's Small Water Ombudsman Office at 602-542-2556.

INCOME TAX

The Commission allows federal and state income tax expense for taxable “type-C” corporations calculated by Staff at authorized tax rates.

For other entities such as Sole-Proprietorships, Partnerships, S-Corporations, Limited Liability Companies (“LLCs”), Trusts, and other taxable or pass-through entities the Commission has determined that an income tax allowance can be included in the utilities’ expenses for Class D and E utilities on a case-by-case basis (see Decision Nos. 73739 and 76631). The allowance will be based on the lower of the taxes computed using the type-C corporate tax rates or the combined effective personal tax rates of the entities’ owners.

For Staff to be able to calculate the effective personal tax rates of the entities’ owners, the following information must be included in this application:

1. Names of all the owners.
2. The percentage of profit/(loss) assigned to each owner.
3. The owners’ personal federal and state income tax filing status (i.e. single, married filing jointly, etc.).
4. If any of the owners are a pass-through or potential pass-through entity such as an S-Corporation or a Trust, then the ownership breakdown of the entity/trust will also be required including all the information listed above.
5. Copies and supporting documentation, of each owner's income tax returns for the past three years so that an effective tax rate can be calculated for each owner's share of the regulated income. If any owner of the regulated entity is another S-Corp or LLC, that owner must provide copies of all requested tax returns for each direct and indirect recipient of income from the regulated entity. Can be provided directly to Staff within 10 days of filing the application, if the owner doesn’t want the information docketed.

If the utility fails to provide all of the necessary information required, the Commission has determined that no income tax allowance will be recognized.

The following is an example of the calculations that Staff will make. For this situation, the Company is owned by a single person, registered as an LLC, whose income tax filing status is Married Filing Jointly. In this example, the Company has \$50,000 in taxable income, and the calculations use 2020 tax brackets. As is shown in the results, per the Commission income tax policy the individual calculation would be used because it results in the lower total taxes.

Income taxes based on individual calculations:

State Income Tax		Taxable Income		\$50,000
Over	But not Over	Amount plus	%	Taxes
\$0	\$53,000	\$0	2.59%	\$1,295
\$53,001	\$106,000	\$409	3.34%	\$0
\$106,001	\$318,000	\$1,315	4.17%	\$0
\$318,000	\$999,999,999	\$2,394	4.50%	\$0
				<u>\$1,295</u>

Federal Income Tax		Taxable Income		\$48,705
Over	But not Over	Amount plus	%	Taxes
\$0	\$19,750	\$0	10.00%	\$0
\$19,751	\$80,250	\$1,975	12.00%	\$5,449
\$80,251	\$171,050	\$9,235	22.00%	\$0
\$171,051	\$326,600	\$29,211	24.00%	\$0
\$326,601	\$414,700	\$66,543	32.00%	\$0
\$414,701	\$622,050	\$94,735	35.00%	\$0
\$622,051	\$9,999,999,999	\$167,308	37.00%	\$0
				<u>\$5,449</u>

Calculation of corporate income tax:

Arizona Taxable Income	\$50,000
Arizona State Income Tax Rate	<u>4.9%</u>
Arizona Income Tax	<u>\$2,450</u>
Federal Taxable Income	47,550
Federal Income Tax @ 21%	<u>\$9,985</u>
Combined Federal and State Income Tax	<u><u>\$12,330</u></u>

BILL COUNT INSTRUCTIONS

Instructions for Schedule 6

A Bill Count must be provided for each of the meter sizes the Company had in service during the Test Year. This information will be entered on Schedule 6 from the drop-down boxes which are linked to Schedule 7 but ensure that the information is accurate and update as necessary on both schedules. Update the information in the grey highlighted cells with the counts at each level of usage for each meter. For all usage over 100,000 gallons enter the exact usage in rows 36 through 57. Hide any columns and/or rows that aren't needed.

The first step in producing the Bill Count is to collect all monthly bills rendered for metered water sales during the 12 months of the Test Year. The collection of bills must include bills to part-time customers and to customers who are no longer on the system, but who were on the system for any part of the Test Year.

Only include bills for water sold during the Test Year. For example, assume that the Test Year runs from January 1st to December 31st (calendar year) and you normally bill on January 5th. The bill sent out at that time would cover December 1st through the 31st usage of the prior year and should not be included. The first billing to be used for the year would be the February 5th billing and the last billing to be used would be the billing of January 5th of the succeeding year.

Note: For explanation of any of the above, please contact the ACC's Small Water Ombudsman Office at 602-542-2556.

CUSTOMER NOTIFICATION

Hillcrest Water Company has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since June 2002. An increase in rates is necessary at this time due to the rising cost to provide service and the Company operating at unsustainable losses. Based on the Company's unaudited Test Year results, Hillcrest Water Company realized an operating loss of \$24,765. The Company is requesting a revenue increase of \$48,100 or 107% of total revenues. Please see the attached Schedules 7 and 8 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street and at Hillcrest Water Company on the HOA and Southwestern Utilities Management websites **Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.**

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-542-4251 in the Phoenix local calling area. Written public comments may be submitted by mailing a letter referencing **Docket No. Enter the docket number, including matter number after the application has been docketed** to the Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website (www.azcc.gov) by clicking on "Cases and Open Meetings" and "Make a Public Comment in a Docket".

If you do not intervene in this proceeding, you will receive no further notice of the proceedings in this docket unless you sign up to Follow the Docket. However, all documents filed in this docket are available online (usually within 24 hours after docketing) at the Commission's website (www.azcc.gov) using the e-Docket function. Information on how to Follow a Docket is available on the Commission's website by clicking on "Cases and Open Meetings" and "Follow a Docket or Document Type."

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

Company Name:	Hillcrest Water Company
Test Year Ended:	Test Year Ended 12/31/24

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Require Schedules for filing:

	Page NO.	Complete
Schedule 1	BALANCE SHEET	Page 18
Schedule 2	WATER COMPANY PLANT DESCRIPTION	Page 20
Schedule 3	PLANT SUMMARY	Page 22
Schedule 4	UTILITY PLANT IN SERVICE	Page 23
Schedule 4b	ORIGINAL COST RATE BASE	Page 23b Complete
Schedule 5	WATER USE DATA SHEET	Page 24
Schedule 6	BILL COUNT SUMMARY	Page 26 Complete
Schedule 7	CURRENT AND PROPOSED RATES	Page 27 Complete
Schedule 7b	TYPICAL BILL ANALYSIS	
Schedule 8	CURRENT AND PROPOSED SERVICE CHARGES	Page 28 Complete
Schedule 9	COMPARATIVE INCOME STATEMENT	Page 29 Complete
Schedule 10	CALCULATION OF DEPRECIATION EXPENSE	Page 31
Schedule 11	PRO FORMA ADDITIONS/SUBTRACTIONS FROM TEST YEAR	Page 32 Complete
Schedule 12	PRO FORMA PROPERTY TAX CALCULATION	Page 34 Complete

Optional Schedules for filing:

	Page NO.	
Schedule 13	CASH AVAILABILITY	Page 35 Complete
Item # 2	WATER TESTING	Page 36
Item # 3	PLANT ADDITIONS	Page 37
Item # 4	SALARIES AND WAGES	Page 38
Item # 5	PURCHASED WATER	Page 39
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Item # 7	REPAIRS AND MAINTENANCE	Page 41
Item # 8	OUTSIDE SERVICES	Page 42
Item # 9	MISCELLANEOUS EXPENSES	Page 43

Work papers (not to be included with the filing but made available to Staff upon request):

Work Paper 1	PLANT ADDITIONS AND RETIREMENT BY YEAR	
Work Paper 2	PLANT ACCUMULATED DEPRECIATION	
Work Paper 3	ADVANCES IN AID OF CONSTRUCTION	Complete
Work Paper 4	GROSS CONTRIBUTIONS IN AID OF CONSTRUCTION	Complete
Work Paper 5	SUPPLEMENTAL FINANCIAL INFORMATION (LONG TERM DEBT)	Complete

Plant in Service and Accumulated Depreciation balances approved in the last Decision:				
Acct. No.	Description	Plant in Service	Accumulated Depreciation	Fully Depreciated
301	Organization	\$0	\$0	\$0
302	Franchises	0	0	0
303	Land and Land Rights	9,950	0	0
304	Structures and Improvements	4,950	368	0
305	Collecting & Improving Reservoirs	0	0	0
306	Lake, River, Canal Intakes	0	0	0
307	Wells and Springs	23,765	12,625	23,765
308	Infiltration Galleries	0	0	0
309	Supply Mains	0	0	0
310	Power Generation Equipment	0	0	0
311	Pumping Equipment	8,776	(5,488)	8,776
320	Water Treatment Equipment	0	0	0
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0
330.1	Storage Tanks	54,070	10,800	0
330.2	Pressure Tanks	0	0	0
331	Transmission and Distribution Mains	15,797	12,368	15,797
333	Services	8,086	3,074	8,086
334	Meters and Meter Installations	12,168	8,465	12,168
335	Hydrants	0	0	0
336	Backflow Prevention Devices	1,217	190	1,217
339	Other Plant and Misc. Equipment	1,000	815	1,000
340	Office Furniture and Equipment	975	49	975
340	Computer & Software	0	0	0
341	Transportation Equipment	0	0	0
342	Stores Equipment	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	498	95	498
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTAL	\$141,252	\$43,361	\$72,282

Last Decision No.
Last Decision Test Year.
Sufficiency Date of last rate Case
Last Decision Effective Date
Months To Get Last Decision

64889
12/31/2000
1/14/2002
6/5/2002

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$22,668	\$26,122
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	259	(142)
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$22,927	\$25,980
	FIXED ASSETS		
101	Utility Plant in Service	\$161,500	\$173,671
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant ("AD-UP")	(107,213)	(105,447)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility ("AD-NU")	0	0
	TOTAL FIXED ASSETS	\$54,287	\$68,224
	TOTAL ASSETS	\$77,214	\$94,204

* This item automatically populates with information from your annual report Page 6

Note: Total Assets should equal the sum of Total Liabilities and Total Capital. If either of the cells below are pink with red font then double check your data entry to ensure accuracy.

BALANCE SHEET CONTINUED

Acct. No.		BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$12,942	\$38,319
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	0	0
236	Accrued Taxes	254	242
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$13,196	\$38,561
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$0	\$0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Gross Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$0	\$0
	TOTAL LIABILITIES	\$13,196	\$38,561
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$69,345	\$69,345
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	(5,327)	(13,702)
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$64,018	\$55,643
	TOTAL LIABILITIES AND CAPITAL	\$77,214	\$94,204

* This item automatically populates with information from your annual report Page 7

WATER COMPANY PLANT DESCRIPTION

Name of the System: **HILLCREST WATER CO**
ADEQ Public Water System Number **AZ0415026**
ADWR PCC Number: **91-000747.0000**

WELLS

Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2010	Water level 2019	Meter Size (inches)	How measured:	Active
55-501879	3	300	160	6	Submersible	1982	120	135	3	Metered	Yes
55-554097	3	150	170	6	Submersible	1996	130	140	3	Metered	Yes

* Arizona Department of Water Resources Identification Number

SERVICE LINES

Material	Percent of system	Year installed
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

BOOSTER PUMPS

Horsepower	GPM	Quantity
A	100	1
NA	NA	NA

FIRE HYDRANTS

Quantity Standard*	Quantity Other
Standard *	0
Other	0

STORAGE TANKS

Capacity	Material	Quantity	Year installed
43,301	Steel	1	1980
5,000	Steel	1	1990

PRESSURE/BLADDER TANKS

Capacity (gallons)	Material	Quantity	Year installed
85	Metal	1	1980
NA	NA	NA	NA

* - 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)

MAINS		
Size (in inches)	Material	Length (in feet)
4	PVC	7000
6	PVC	2845
NA	NA	NA

CUSTOMER METERS			
Size (in inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	195	5%	80%
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

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

TREATMENT EQUIPMENT:
None

STRUCTURES:
None

OTHER:
None

PLANT SUMMARY

Acct. No.	Description	Plant in Service Per Prior Decision	Total Additions	Total Retirements	Test Year End Total
301	Organization	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0
303	Land and Land Rights	9,950	0	0	9,950
304	Structures and Improvements	4,950	0	0	4,950
305	Collecting & Improving Reservoirs	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0
307	Wells and Springs	23,765	390	0	24,155
308	Infiltration Galleries	0	0	0	0
309	Supply Mains	0	0	0	0
310	Power Generation Equipment	0	0	0	0
311	Pumping Equipment	8,776	15,080	0	23,856
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0
330.1	Storage Tanks	54,070	4,032	0	58,102
330.2	Pressure Tanks	0	0	0	0
331	Transmission and Distribution Mains	15,797	513	0	16,310
333	Services	8,086	4,981	0	13,067
334	Meters and Meter Installations	12,168	7,422	0	19,590
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	1,217	0	0	1,217
339	Other Plant and Misc. Equipment	1,000	0	0	1,000
340	Office Furniture and Equipment	975	0	0	975
340	Computer & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
342	Stores Equipment	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	498	0	0	498
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	\$141,252	\$32,419	\$0	\$173,671

UTILITY PLANT IN SERVICE

Acct No.	Description	Test Year Original Cost	Accumulated Depreciation	OCLD
301	Organization	\$0	\$0	\$0
302	Franchises	0	0	0
303	Land and Land Rights	9,950	0	9,950
304	Structures and Improvements	4,950	3,005	1,945
305	Collecting & Improving Reservoirs	0	0	0
306	Lake, River, Canal Intakes	0	0	0
307	Wells and Springs	24,155	23,765	390
308	Infiltration Galleries	0	0	0
309	Supply Mains	0	0	0
310	Power Generation Equipment	0	0	0
311	Pumping Equipment	23,856	8,776	15,080
320	Water Treatment Equipment	0	0	N/A
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	N/A
330.1	Storage Tanks	58,102	30,946	27,156
330.2	Pressure Tanks	0	0	0
331	Transmission and Distribution Mains	16,310	15,797	513
333	Services	13,067	7,174	5,893
334	Meters and Meter Installations	19,590	12,292	7,298
335	Hydrants	0	0	0
336	Backflow Prevention Devices	1,217	1,217	(0)
339	Other Plant and Misc. Equipment	1,000	1,000	(0)
340	Office Furniture and Equipment	975	975	(0)
340	Computer & Software	0	0	0
341	Transportation Equipment	0	0	0
342	Stores Equipment	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	498	498	(0)
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTAL WATER PLANT	\$173,671	\$105,447	\$68,224

ORIGINAL COST RATE BASE	
	Company
Plant in Service	\$173,671
Less:	
Accum. Depreciation	105,447
Net Plant	\$68,224
Less:	
Plant Advances	\$0
Accumulated Deferred Income Taxes	0
Total Advances	\$0
Contributions Gross	\$0
Less:	
Amortization of CIAC	0
Net CIAC	\$0
Regulatory Liability	\$0
Total Deductions	\$0
Plus:	
1/24 Power	\$182
1/8 Operation & Maint.	\$7,240
Inventory	\$0
Prepayments	\$0
Total Additions	\$7,422
Rate Base	\$75,646

WATER USE DATA SHEET

Name of the System:	HILLCREST WATER COMPANY
ADEQ Public Water System Number:	AZ0415026
ADWR PCC Number:	91-000747.0000

(12 Months of Test Year)	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	625,600	321,321	0	0	0	\$374	2,322
February	334,300	136,850	0	0	0	370	2,298
March	619,500	350,270	0	0	0	373	2,316
April	953,600	279,760	0	0	0	378	2,347
May	1,190,500	312,264	0	0	0	471	2,925
June	1,002,100	386,760	0	0	0	470	2,919
July	873,800	383,600	0	0	0	375	2,329
August	1,131,300	260,140	0	0	0	471	2,925
September	926,100	257,980	0	0	0	376	2,335
October	1,029,600	261,280	0	0	0	473	2,937
November	1,378,700	346,450	0	0	0	474	2,944
December	767,500	215,930	0	0	0	374	2,323
TOTAL	10,832,600	3,512,605	0	0	0	\$4,979	30,920

If yes, are the fire flow requirements? NA GPM for 0 hrs.

Does the system have chlorination treatment? No

Is the Water Utility located in an ADWR Active Management Area (AMA)? No
If yes, which AMA? NA

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement? No
If yes, provide the GPCPD amount: 0

If applicable, in the space below, please provide a description for all estimated authorized un-metered use along with specific amounts:

n/a

1 Water withdrawn - Total acre feet of water withdrawn from pumped sources.
2 Water sold - Total acre feet from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.
4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.
5 Estimated authorized use - Total estimated acre feet 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
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.

Hillcrest Water Company
Short Form Rate Application
WATER USE DATA SHEET
Test Year Ended 12/31/24

Schedule 5
Short Form Rate Application Page No. 25

CUSTOMER DATA SHEET

Name of the System:	HILLCREST WATER COMPANY
ADEQ Public Water System Number:	AZ0415026
ADWR PCC Number:	91-000747.0000

Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	198	0	0	0	0
February	198	0	0	0	0
March	160	0	0	0	0
April	197	0	0	0	0
May	194	0	0	0	0
June	196	0	0	0	0
July	153	0	0	0	0
August	156	0	0	0	0
September	151	0	0	0	0
October	155	0	0	0	0
November	145	0	0	0	0
December	159	0	0	0	0

Hillcrest Water Company
Short Form Rate Application
BILL COUNT SUMMARY
Test Year Ended 12/31/24

Schedule 6
Short Form Rate Application Page No. 26

BILL COUNT SUMMARY

Meter Size:	5/8" x 3/4" Meter	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter	3" Meter	4" Meter	6" Meter
Customer Class:	All	All	All	All	All	All	All	All
- 0 -	612	0	0	0	0	0	0	0
1 to 1,000	800	0	0	0	0	0	0	0
1,001 to 2,000	358	0	0	0	0	0	0	0
2,001 to 3,000	163	0	0	0	0	0	0	0
3,001 to 4,000	72	0	0	0	0	0	0	0
4,001 to 5,000	49	0	0	0	0	0	0	0
5,001 to 6,000	51	0	0	0	0	0	0	0
6,001 to 7,000	21	0	0	0	0	0	0	0
7,001 to 8,000	16	0	0	0	0	0	0	0
8,001 to 9,000	13	0	0	0	0	0	0	0
9,001 to 10,000	3	0	0	0	0	0	0	0
10,001 to 12,000	14	0	0	0	0	0	0	0
12,001 to 14,000	6	0	0	0	0	0	0	0
14,001 to 16,000	2	0	0	0	0	0	0	0
16,001 to 18,000	1	0	0	0	0	0	0	0
18,001 to 20,000	3	0	0	0	0	0	0	0
20,001 to 25,000	6	0	0	0	0	0	0	0
25,001 to 30,000	8	0	0	0	0	0	0	0
30,001 to 35,000	3	0	0	0	0	0	0	0
35,001 to 40,000	4	0	0	0	0	0	0	0
40,001 to 50,000	0	0	0	0	0	0	0	0
50,001 to 60,000	2	0	0	0	0	0	0	0
60,001 to 70,000	0	0	0	0	0	0	0	0
70,001 to 80,000	0	0	0	0	0	0	0	0
80,001 to 90,000	0	0	0	0	0	0	0	0
90,001 to 100,000	0	0	0	0	0	0	0	0
186,190	1	0	0	0	0	0	0	0
Total Bills	2,208	0	0	0	0	0	0	0
Average Number of Customers	184	0	0	0	0	0	0	0
Total	184							

CURRENT AND PROPOSED RATES

MONTHLY MINIMUM OR BASIC SERVICE CHARGE					
METER SIZE	CUSTOMER CLASS	CURRENT RATES		PROPOSED RATES	
		RATE	GALLONS INCLUDED	RATE	GALLONS INCLUDED
5/8" x 3/4" Meter	All	\$15.00		\$34.00	
3/4" Meter	All	\$19.00		\$39.00	
1" Meter	All	\$33.00		\$72.00	
1-1/2" Meter	All	\$55.00		\$84.00	
2" Meter	All	\$88.00		\$130.00	
3" Meter	All	\$165.00		\$280.00	
4" Meter	All	\$275.00		\$490.00	
6" Meter	All	\$550.00		\$1,000.00	

GALLONS IN EXCESS OF MINIMUM
Commodity Charge (Per 1,000 Gallons)

	CURRENT RATES			PROPOSED RATES		
		Gallons			Gallons	
5/8" x 3/4" Meter	RATES	FROM	TO	RATES	FROM	TO
FIRST TIER	\$0.00	0	0	\$3.75	0	2,000
SECOND TIER	\$0.00	0	0	\$4.50	2,001	4,000
THIRD TIER	\$0.00	0	0	\$5.50	4,001	99,999,999,999
FLAT RATE	\$3.00					

GALLONS IN EXCESS OF MINIMUM FOR LARGER METER SIZES WITH ONLY TWO TIERS
Commodity Charge (Per 1,000 Gallons)

METER SIZE	RATES		BREAK-OVER POINT	RATES		BREAK-OVER POINT
	LOWER	HIGHER		LOWER	HIGHER	
3/4" Meter	\$0.00	\$0.00	0	\$4.50	\$5.50	10,000
1" Meter	\$0.00	\$0.00	0	\$4.50	\$5.50	25,000
1-1/2" Meter	\$0.00	\$0.00	0	\$4.50	\$5.50	50,000
2" Meter	\$0.00	\$0.00	0	\$4.50	\$5.50	75,000
3" Meter	\$0.00	\$0.00	0	\$4.50	\$5.50	125,000
4" Meter	\$0.00	\$0.00	0	\$4.50	\$5.50	250,000
6" Meter	\$0.00	\$0.00	0	\$4.50	\$5.50	500,000

Hillcrest Water Company
Short Form Rate Application
CURRENT AND PROPOSED RATES
Test Year Ended 12/31/24

Schedule 7b

TYPICAL BILL ANALYSIS General Service 5/8 x 3/4-Inch Meter
--

Average Number of Customers: 184

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	1,640	\$19.92	\$40.15	\$20.23	101.6%
Median Usage	460	\$16.38	\$35.73	\$19.35	118.1%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons	Present	Company Proposed	%
0	\$15.00	\$34.00	126.7%
1,000	18.00	37.75	109.7%
2,000	21.00	41.50	97.6%
3,000	24.00	46.00	91.7%
4,000	27.00	50.50	87.0%
5,000	30.00	56.00	86.7%
6,000	33.00	61.50	86.4%
7,000	36.00	67.00	86.1%
8,000	39.00	72.50	85.9%
9,000	42.00	78.00	85.7%
10,000	45.00	83.50	85.6%
15,000	60.00	111.00	85.0%
20,000	75.00	138.50	84.7%
25,000	90.00	166.00	84.4%
50,000	165.00	303.50	83.9%
75,000	240.00	441.00	83.8%
100,000	315.00	578.50	83.7%
125,000	390.00	716.00	83.6%
150,000	465.00	853.50	83.5%
175,000	540.00	991.00	83.5%
200,000	615.00	1,128.50	83.5%

CURRENT AND PROPOSED SERVICE CHARGES

SERVICE LINE AND METER INSTALLATION CHARGES						
METER SIZE	CURRENT CHARGES			COMPANY PROPOSED		
	Service Line Charge	Meter Charge	Total Charge	Service Line Charge	Meter Charge	Total Charge
5/8" x 3/4" Meter	NT	NT	\$410.00	\$325.00	\$155.00	\$480.00
3/4" Meter	NT	NT	450.00	445.00	225.00	670.00
1" Meter	NT	NT	500.00	495.00	265.00	760.00
1½" Meter	NT	NT	620.00	550.00	525.00	1,075.00
2" Meter	NT	NT	1,210.00	800.00	850.00	1,650.00
2" Turbine Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%
2" Compound Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%
3" Meter	NT	NT	1,680.00	Cost + 10%	Cost + 10%	Cost + 10%
3" Turbine Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%
3" Compound Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%
4" Meter	NT	NT	2,680.00	Cost + 10%	Cost + 10%	Cost + 10%
4" Turbine Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%
4" Compound Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%
6" Meter	NT	NT	5,200.00	Cost + 10%	Cost + 10%	Cost + 10%
6" Turbine Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%
6" Compound Meter	NT	NT	NT	Cost + 10%	Cost + 10%	Cost + 10%

SERVICE CHARGES	CURRENT CHARGES	PROPOSED CHARGES
Establishment	\$30.00	\$35.00
Establishment (After hours)	\$40.00	NT
Reconnection (delinquent)	\$30.00	\$40.00
Meter Test (If correct)	\$30.00	\$30.00
After Hours Service Charge	NT	\$50 per hour
Deposit	*	*
Deposit Interest	*	*
Re-establishment (within 12 months)	**	**
NSF Check	\$20.00	\$25.00
Deferred Payment (Per Month)	1.50%	1.50%
Meter Re-read (If correct)	\$20.00	\$20.00
Late Payment Charge - per month	1.50%	1.50%
Backflow Installation	0	0

* - Per Commission Rules (R-14-2-403.B).

** - Month off system times the minimum (R14-2-403.D).

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax. Per commission rule A.A.C. R14-2-409D(5).

Instructions: Update all information in the Grey highlighted cells. Add rows as necessary.

COMPARATIVE INCOME STATEMENT							
Account No.	Operating Revenue	Prior Year *	Test Year *	Company Adjustments **	Company Adjusted	Increase Requested	Company Proposed
461	Metered Water Revenue	\$47,327	\$44,147	\$0	\$44,147	\$48,100	\$92,247
460	Unmetered Water Revenue	0	0	0	0	0	0
462	Fire Protection Revenue	0	0	0	0	0	0
469	Guaranteed Revenues (Surcharges)	0	0	0	0	0	0
471	Miscellaneous Service Revenues	699	842	0	842	0	842
474	Other Water Revenue	0	0	0	0	0	0
	Total Revenues	\$48,026	\$44,989	\$0	\$44,989	\$48,100	\$93,089
	Operating Expenses						
601	Salaries and Wages	\$0	\$0	\$0	\$0	\$0	\$0
604	Employee Pensions and Benefits	0	0	0	0	0	0
610	Purchased Water	0	0	0	0	0	0
615	Purchased Power	3,499	4,370	0	4,370	0	4,370
618	Chemicals	0	0	0	0	0	0
620	Materials and Supplies	0	805	0	805	0	805
620.1	Repairs and Maintenance	1,067	1,886	0	1,886	0	1,886
620.2	Office Supplies and Expense	2,680	3,933	0	3,933	0	3,933
630	Outside Services	0	0	0	0	0	0
631	Contractual Services -Engineering	0	0	0	0	0	0
632	Contractual Services - Accounting	0	1,382	0	1,382	0	1,382
633	Contractual Services - Legal	0	0	0	0	0	0
634	Contractual Services - Management Fees	32,217	41,510	2,650	44,160	0	44,160
635	Contractual Services - Water Testing	0	1,513	0	1,513	0	1,513
636	Contractual Services - Other	0	0	0	0	0	0
640	Rents	0	0	0	0	0	0
641	Rental of Building/Real Property	0	0	0	0	0	0
642	Rental of Equipment	0	0	0	0	0	0
650	Transportation Expenses	0	0	0	0	0	0
657	Insurance - General Liability	2,678	2,847	0	2,847	0	2,847
657.1	Insurance - Health and Life	0	0	0	0	0	0
666	Regulatory Commission Expense - Rate	0	0	0	0	0	0
670	Bad Debt Expense	0	0	0	0	0	0
675	Miscellaneous Expense	1,815	1,393	0	1,393	0	1,393
403	Depreciation Expense	1,455	4,147	0	4,147	0	4,147
408	Taxes Other Than Income	0	0	0	0	0	0
408.11	Property Taxes	0	2,811	506	3,317	387	3,704
409	Income Taxes	0	0	0	0	0	0
427.1	Customer Security Deposit Interest	0	0	0	0	0	0
	Total Operating Expenses	\$45,411	\$66,598	\$3,156	\$69,754	\$387	\$70,141
	Operating Income / (Loss)	\$2,615	(\$21,609)	(\$3,156)	(\$24,765)	\$47,713	\$22,948
	Other Income / (Expense)						
419	Interest and Dividend Income	\$0	\$0	\$0	\$0	\$0	\$0
421	Non-Utility Income	0	0	0	0	0	0
426	Miscellaneous Non-Utility Expense	0	0	0	0	0	0
427	Interest Expense	0	0	0	0	0	0
	Total Other Income / (Expense)	\$0	\$0	\$0	\$0	\$0	\$0
	Net Income / (Loss)	\$2,615	(\$21,609)	(\$3,156)	(\$24,765)	\$47,713	\$22,948

* This item automatically populates with information from your annual report Page 8

** This item automatically populates with information from Schedule 11 PRO FORMA ADDITIONS/SUBTRACTIONS FROM TEST YEAR

Note: Do not include the sales taxes in revenues or expenses. Please refer to the checklist on page 1 for the required attachments related to this schedule.

PROOF OF REVENUE

After updating the information on this schedule and **inputting the Bill Count** information on Schedule 6, if cell I10 is pink with red font then please double check your data entry, especially your bill counts.

Revenues (\$160) **-0.36%**

Explanation for Difference

NA

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	Plant Description	Test Year Plant Original Cost	Fully Depreciated/Non- depreciable Plant	Depreciable Plant	Depreciation Percentage	Depreciation Expense
301	Organization	\$0	\$0	N/A	0.00%	N/A
302	Franchises	0	0	N/A	0.00%	N/A
303	Land and Land Rights	9,950	0	N/A	0.00%	N/A
304	Structures and Improvements	4,950	0	4,950	3.33%	165
305	Collecting & Improving Reservoirs	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	2.50%	0
307	Wells and Springs	24,155	23,765	390	3.33%	13
308	Infiltration Galleries	0	0	0	6.67%	0
309	Supply Mains	0	0	0	2.00%	0
310	Power Generation Equipment	0	0	0	5.00%	0
311	Pumping Equipment	23,856	8,776	15,080	12.50%	1,885
320	Water Treatment Equipment	0	0	N/A	0.00%	N/A
320.10	Water Treatment Plants	0	0	0	3.33%	0
320.20	Solution Chemical Feeders	0	0	0	20.00%	0
320.30	Point-of-Use Treatment Devices	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	N/A	0.00%	N/A
330.10	Storage Tanks	58,102	0	58,102	2.22%	1,290
330.20	Pressure Tanks	0	0	0	5.00%	0
331	Transmission and Distribution Mains	16,310	15,797	513	2.00%	10
333	Services	13,067	8,086	4,981	3.33%	166
334	Meters and Meter Installations	19,590	12,168	7,422	8.33%	618
335	Hydrants	0	0	0	2.00%	0
336	Backflow Prevention Devices	1,217	1,217	0	6.67%	0
339	Other Plant and Misc. Equipment	1,000	1,000	0	6.67%	0
340	Office Furniture and Equipment	975	975	0	6.67%	0
340	Computer & Software	0	0	0	20.00%	0
341	Transportation Equipment	0	0	0	20.00%	0
342	Stores Equipment	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	5.00%	0
344	Laboratory Equipment	0	0	0	10.00%	0
345	Power Operated Equipment	0	0	0	5.00%	0
346	Communication Equipment	498	498	0	10.00%	0
347	Miscellaneous Equipment	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0.00%	0
	TOTAL	\$173,671	\$72,282	\$91,439		\$4,147

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	4.54%
Amortization of CIAC	\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$4,147

PRO FORMA ADDITIONS/SUBTRACTIONS FROM TEST YEAR						
Account No.	Calendar Year		Additions	Subtractions	Water Conservation Adjustments	Total Pro Formas
	Operating Revenue					
461	Metered Water Revenue		\$0	\$0	\$0	\$0
460	Unmetered Water Revenue		0	0		0
462	Fire Protection Revenue		0	0		0
469	Guaranteed Revenues (Surcharges)		0	0		0
471	Miscellaneous Service Revenues		0	0		0
474	Other Water Revenue		0	0		0
	Total Revenues		\$0	\$0	\$0	\$0
	Operating Expenses					
601	Salaries and Wages		\$0	\$0		\$0
604	Employee Pensions and Benefits		0	0		0
610	Purchased Water		0	0	0	0
615	Purchased Power		0	0	0	0
618	Chemicals		0	0	0	0
620	Materials and Supplies		0	0		0
620.1	Repairs and Maintenance		0	0		0
620.2	Office Supplies and Expense		0	0		0
630	Outside Services		0	0		0
631	Contractual Services -Engineering		0	0		0
632	Contractual Services - Accounting		0	0		0
633	Contractual Services - Legal		0	0		0
634	Contractual Services - Management Fees		2,650	0		2,650
635	Contractual Services - Water Testing		0	0		0
636	Contractual Services - Other		0	0		0
640	Rents		0	0		0
641	Rental of Building/Real Property		0	0		0
642	Rental of Equipment		0	0		0
650	Transportation Expenses		0	0		0
657	Insurance - General Liability		0	0		0
657.1	Insurance - Health and Life		0	0		0
666	Regulatory Commission Expense - Rate		0	0		0
670	Bad Debt Expense		0	0		0
675	Miscellaneous Expense		0	0		0
403	Depreciation Expense		0	0		0
408	Taxes Other Than Income		0	0		0
408.11	Property Taxes		0	(506)		506
409	Income Taxes		0	0		0
427.1	Customer Security Deposit Interest		0	0		0
	Total Operating Expenses		\$2,650	(\$506)	\$0	\$3,156
	Operating Income / (Loss)		(\$2,650)	\$506	\$0	(\$3,156)
	Other Income / (Expense)					
419	Interest and Dividend Income		\$0	\$0		\$0
421	Non-Utility Income		0	0		0
426	Miscellaneous Non-Utility Expense		0	0		0
427	Interest Expense		0	0		0
	Total Other Income / (Expense)		\$0	\$0	\$0	\$0
	Net Income / (Loss)		(\$2,650)	\$506	\$0	(\$3,156)

EXPLANATION OF PRO FORMA ADDITIONS/SUBTRACTIONS FROM TEST YEAR
--

Increase in management fees. From \$18.80 per customer per month to \$20 per customer per month an increase of \$2,650.

NA

NA

PRO FORMA PROPERTY TAX CALCULATION

	Adjusted Test Year	At Proposed Rates
Adjusted Revenues Test Year Ended 12/31/24	\$44,989	\$44,989
Adjusted Revenues Test Year Ended 12/31/24	44,989	44,989
Proposed Revenues	44,989	93,089
Average of Three Years of Revenue	\$44,989	\$61,022
Average of Three Years of Revenue, times 2	\$89,978	\$122,045
Add:		
Construction Work in Progress at 10%		
Deduct:		
Net Book Value of Transportation Equipment *	0	0
Full Cash Value	\$89,978	\$122,045
Assessment Ratio (For 2015 and Beyond per HB 2001 Sec 42-15001)	18.0%	15.5%
Assessed Value	\$16,196	\$18,917
Property Tax Rate	14.23%	14.23%
Property Tax	2,305	2,692
Tax on Parcels	0	0
Adjusted Test Year Property Taxes at Present Rates	\$2,305	
Test Year Property Taxes	2,811	
Adjustment to Revenue and/or Expense	(\$506)	
Adjusted Test Year Property Taxes at Proposed Rates		\$2,692
Adjusted Test Year Property Taxes at Present Rates		2,305
Additional Property Taxes on Proposed Revenues		\$387

*From Schedule 5 Page 23

CASH AVAILABILITY

Instructions: The purpose of this schedule is to provide a calculation of the Company's Cash Availability. Most of this data feeds from the Income Statement and the Balance Sheet and does not require input, there is however, one input on this page. This information is included for supplemental purposes and as such this is an optional schedule that is not required for the filing.

Source of Funds
From Operations

Net Income	(\$21,609)
Depreciation and Amortization	4,147
Def. Investment Tax Credits	0
Deferred income Taxes	0
Amort. of Regulatory Expense	0
Total From Operations	<u>(\$17,462)</u>

From Financing

Advances in Aid of Construction	\$0
Contributions in Aid of Construction	0
Issuance of Long-Term Debt	0
Due to Parent and Affiliates	0
Total From Financing	<u>\$0</u>

Total Funds Provided (\$17,462)

Application of Funds

Capital/Plant Expenditures	\$13,937
Rate Case Expenses	0 Please enter this on Schedule 11
Dividends Paid	0 Please enter the Amount of Dividends Paid during the test year
Other Deferred Debits and Credits	0
Total Funds Applied	<u>\$13,937</u>

Net Cash Flow (\$31,398)

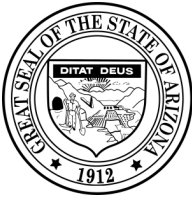
Hillcrest Water Company
Short Form Rate Application
WATER TESTING
Test Year Ended 12/31/24

Item # 2
Short Form Rate Application Page No. 36

WATER TESTING

Please provide a list showing the individual cost components of the non-MAP water testing expenses. This list should include at a minimum the following details: date, vendor/lab, cost, and test(s) performed.

ACC Acct. No.	Vendor/Lab	Test performed	Date	Amount
635	Legend Technical Services, Inc.	Total Coliform	02/06/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	03/08/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	03/15/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	04/19/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	5/15/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	07/03/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	07/31/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	08/01/2024	\$90.00
635	Legend Technical Services, Inc.	Total Coliform	09/05/2024	\$18.00
635	Legend Technical Services, Inc.	Lead & Copper	09/06/2024	\$240.00
635	Southwestern Utility Management	8/28 - PFAS Testing	9/10/2024	\$195.00
635	Legend Technical Services, Inc.	Lead & Copper	09/24/2024	\$18.00
635	Arizona Dept of Environmental Quality	Map Monitoring Assistance Program (10/31/21)	10/01/2024	\$753.72
635	Legend Technical Services, Inc.	Total Coliform	10/29/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	11/27/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	11/27/2024	\$18.00
635	Legend Technical Services, Inc.	Total Coliform	12/20/2024	\$18.00



Katie Hobbs
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street Phoenix, Arizona 85007
(602) 771-2300 www.azdeq.gov



Karen Peters
Cabinet Executive Office

Customer ID: 24828S

MICHAEL J WAGNER

578 W. TAM OSHANTER DR.
PHOENIX, AZ 85023

Billing Period: October 1, 2025 - October 31, 2025

Payment Due Date: November 30, 2025

ACCOUNT SUMMARY

Account ID	Fee Code	Balance Carried Forward	Current Amount	Payments / Credits	Total Amount
B2079176	MAP Monitoring Assistance Program	\$572.02	\$0.00	-\$572.02	\$0.00
TOTAL:		\$572.02	\$0.00	-\$572.02	\$0.00

AGING SUMMARY

Current Charges	(1-30 days)	(31-60 days)	(61-90 days)	(91-120 days)	(Over 120 days)	Balance
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

* All payments received and not specifically allocated on the REMITTANCE ADVICE will be applied to the oldest amount due until fees are paid and then applied to interest.

Retain for your record

To pay your bill by credit card or ACH please visit www.azdeq.gov and go to 'QuickPay'.

This paragraph applies to current charges only. For all ADEQ final decisions, you have a right to request a hearing and file an appeal under A.R.S. § 41-1092.03(B) within 30 days of the ADEQ decision. Depending upon the service you are invoiced for, you may have additional options to request an informal review of your bill. Go to <http://azdeq.gov/FeeReview> for more information on how to request a review of your invoice.

Account Details for Account ID: B2079176**Customer ID: 24828S**

Fee Code MAP Monitoring Assistance Program
PWS ID 15026 - HILLCREST WATER COMPANY
Charges Since 10/01/2025 \$0.00
Interest Charges Since 10/01/2025 \$0.00
Balance Carried Forward \$572.02
Payments -\$572.02
Other Credits \$0.00
TOTAL: \$0.00

Program Contact:

Name: Carling Olson
Phone: (602) 771-4518 or (800) 234-5677
E-mail: olson.carling@azdeq.gov

AGING SUMMARY

Current Charges	(1-30 days)	(31-60 days)	(61-90 days)	(91-120 days)	(Over 120 days)	Balance
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

INVOICE DETAIL

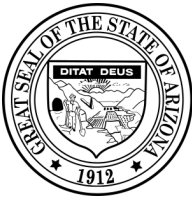
Pursuant to A.R.S. 49-360 F and A.A.C. R18-4-304 and R18-4-305, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Invoice Period for **Bill Year 2025** **Invoice Number** 0000434069X
LTF No.

Item Code	Description	Date	09/25/2025
MAP	Credit Memo Adjustment		-\$197.12
MAP	Annual Fee Per Connection		\$519.14
MAP	Base Charge		\$250.00
Original Invoice Total Carried Forward:			\$572.02

Retain for your record

To pay your bill by credit card or ACH please visit www.azdeq.gov and go to 'QuickPay'.



Katie Hobbs
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street Phoenix, Arizona 85007
(602) 771-2300 www.azdeq.gov



Karen Peters
Cabinet Executive Office

MICHAEL J WAGNER

578 W. TAM OSHANTER DR.
PHOENIX, AZ 85023

Billing Period: October 1, 2025 - October 31, 2025

Payment Due Date: November 30, 2025

Remittance Advice

To pay your bill by credit card please visit www.azdeq.gov **OR**

Customer ID:24828S

Please return this page with your payments to:

Arizona Department of Environmental Quality
P.O. Box 18228
Phoenix, AZ 85005

Please make checks payable to: State of Arizona

Account ID	Fee Code	Invoice Number	Amount Due	Payment Enclosed*
TOTAL:			\$0.00	

* All payments received and not specifically allocated on the REMITTANCE ADVICE will be applied to the oldest amount due until fees are paid and then applied to interest.

This paragraph applies to current charges only. For all ADEQ final decisions, you have a right to request a hearing and file an appeal under A.R.S. § 41-1092.03(B) within 30 days of the ADEQ decision. Depending upon the service you are invoiced for, you may have additional options to request an informal review of your bill. Go to <http://azdeq.gov/FeeReview> for more information on how to request a review of your invoice.

So we may better serve you, please provide the following information:

Name: _____
Title: _____
Email: _____

For ADEQ use only:

Bill ID: 0728475

Check #: _____
Received Date: _____
Post Marked: _____
Site Code: _____
Entered By: _____

To pay your bill by credit card or ACH please visit www.azdeq.gov and go to 'QuickPay'.

PLANT ADDITIONS

Please provide a list of all plant additions by year and NARUC plant account number. For each plant addition project with over \$2,500 in total costs, please provide (1) a list showing the individual cost components of the plant addition and (2) invoices to support each cost component shown on the list. Please cross-reference the amounts on the list to the invoices.

ACC Acct. No.	Vendor/Company	Description	Date	Year	Amount	Invoice Index
311	Southwestern Utility Management	Booster pump repair- replaced all pipes and bladder on storage tanks and booster pump	5/1/2024	2024	\$5,131.00	311A
307	Southwestern Utility Management	8/26 - Service Verification at Well Site Management	9/10/2024	2024	\$390.00	NA
311	Southwestern Utility Management	Emergency low pressure call- Booster pump failure	11/6/2024	2024	\$390.00	NA
331	Unknown	Unknown	Unknown	2022	\$513.00	NA
333	Southwestern Utility Management	Service line repair to replace 11ft of mucinplex@ Hillcrest Dr Management	1/4/2024	2024	\$840.00	NA
333	Southwestern Utility Management	New Service Line with Curb Stop @783 Swan Dr	2/15/2024	2024	\$1,398.44	NA
333	Southwestern Utility Management	Repair service lines@ 902 & 892 Noble View Dr	4/3/2024	2024	\$743.00	NA
333	Southwestern Utility Management	HOA Service Line Install	5/6/2024	2024	\$2,000.00	NA
334	Arizona Waterworks Supply	2 X 1 BRZ SADDLE FOR IPS PVC; 1 IN CORP STOP IPS X IPS NO LEAD;1-IN FIP X CTS PACK JOINT ADAPTER (NO LEAD); ANGLE METER STOP 1 IN CTS PJ 3/4 IN METER CPLG NO LEAD	3/28/2024	2024	\$202.20	NA
334	Arizona Waterworks Supply	138.420 4 X 2 GALV BELL REDUCER GN40.000 4 X CLOSE GALV NIPPLE	4/26/2024	2024	\$82.30	NA
334	Southwestern Utility Management	New Service Line HOA - Located faucet by mailboxes being used by residents to fill RVs	6/7/2024	2024	\$993.75	NA
311	Unknown	Unknown	Unknown	2022	\$9,559.00	Unavailable
330.1	Unknown	Unknown	Unknown	2006	\$4,032.00	Unavailable
334	Unknown	Unknown	Unknown	2022	\$6,144.00	Unavailable

INVOICE

Southwestern Utility
Management
PO BOX 85160
TUCSON, AZ 85754-5160

accounting@southwesternutility.com



Hillcrest Water Company_1716599957757

Bill to
Hillcrest Water Company

Shipping info

Ship date: 05/01/2024

Invoice details

Invoice no.: 14576
Terms: Net 10 days
Invoice date: 11/06/2024
Due date: 11/16/2024

#	Product or service	Description	Qty	Rate	Amount
1.	17.50/Customer	Monthly Services - October 2024	203	\$17.50	\$3,552.50
2.	6212 Client Billing-Bill Forms	Client Billing-Billing Statements	165	\$0.81	\$133.65
3.	6212 Client Billing-Bill Forms	Client Billing-Termination Notices	23	\$0.81	\$18.63
4.	6213 Client Billing-Postage	Client Billing - Postage	171	\$0.73	\$124.83
5.	6214 Client Billing-Bank Fees	Client Billing - Bank Fees	1	\$54.21	\$54.21
6.		10/14 - INTUIT *QBooks Online			\$27.40
7.	Field Tech - \$65	Emergency low pressure call - Booster pump failure	6	\$65.00	\$390.00
8.	Reimbursable Expense	Booster pump repair - Replaced all pipes and bladder on storage tanks and booster pump	1	\$5,131.00	\$5,131.00
9.	Reimbursable Expense	Replacement locks for all gates at well sites	1	\$61.25	\$61.25

Total \$9,493.47

311A

SALARIES AND WAGES

Instructions: Please break down by position, salary, and duties for the Salaries and Wages expense. (Acct. 601).

Position	Salary	Duties
NA		

PURCHASED WATER

Please provide (1) a list showing the individual cost components of the total purchased water expense and (2) invoices to support the three highest amounts shown on the list.

Cost components				
ACC Acct. No.	Vendor/Company	Date	Amount	Invoice Index
NA				

PURCHASED POWER

Please provide (1) a list showing the individual cost components of the total purchased power expense and (2) invoices to support the **three** highest amounts shown on the list.

Cost components				
ACC Acct. No.	Vendor/Company	Date	Amount	Invoice Index
615	APS	06/10/2024	\$404.82	6A
615	APS	11/07/2024	\$404.72	6B
615	APS	09/06/2024	\$404.00	Unavailable
615	APS	07/10/2024	\$399.42	NA
615	APS	08/11/2024	\$392.45	NA
615	APS	03/11/2024	\$381.20	NA
615	APS	12/07/2024	\$377.33	NA
615	APS	10/07/2024	\$357.82	NA
615	APS	05/09/2024	\$352.86	NA
615	APS	01/05/2024	\$209.84	NA
615	APS	04/11/2024	\$203.83	NA
615	APS	11/07/2024	\$48.21	NA
615	APS	07/10/2024	\$48.15	NA
615	APS	10/07/2024	\$46.60	NA
615	APS	12/07/2024	\$46.03	NA
615	APS	09/09/2024	\$45.63	NA
615	APS	05/13/2024	\$44.85	NA
615	APS	04/11/2024	\$44.69	NA
615	APS	06/10/2024	\$42.87	NA
615	APS	08/12/2024	\$40.80	NA
615	APS	01/31/2024	\$38.16	NA
615	APS	03/12/2024	\$36.11	NA

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

6A

Bill

Vendor
APS
P.O. BOX 60015
PRESCOTT, AZ 86304-6015

Bill Number 0893641000
Bill Date 06/10/2024
Due Date 06/25/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
61500 Purchased Power	Statement not provided			404.82
ACCT:0893641000				TOTAL 404.82
				PAYMENT PAID 404.82
				BALANCE DUE \$0.00

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

6B

Bill

Vendor
APS
P.O. BOX 60015
PRESCOTT, AZ 86304-6015

Bill Number 0893641000
Bill Date 11/07/2024
Due Date 11/22/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
61500 Purchased Power	Statement not provided			404.72
ACCT:0893641000				TOTAL 404.72
				PAYMENT PAID 404.72
				BALANCE DUE \$0.00

Hillcrest Water Company
Short Form Rate Application
REPAIRS AND MAINTENANCE
Test Year Ended 12/31/24

Item # 7
Short Form Rate Application Page No. 41

REPAIRS AND MAINTENANCE

Please provide (1) a list showing the individual cost components of the total purchased repairs and maintenance expense and (2) invoices to support the three highest amounts shown on the list.

Cost components				
ACC Acct. No.	Vendor/Company	Date	Amount	Invoice Index
620.1	Southwestern Utility Management	03/11/2024	\$390.00	7A
620.1	Southwestern Utility Management	08/01/2024	\$360.00	7B
620.1	Southwestern Utility Management	10/15/2024	\$360.00	7C
620.1	Southwestern Utility Management	09/10/2024	\$325.00	NA
620.1	Southwestern Utility Management	03/11/2024	\$195.00	NA
620.1	Southwestern Utility Management	12/06/2024	\$195.00	NA
620.1	Southwestern Utility Management	11/06/2024	\$61.25	NA

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

Bill

Vendor
Southwestern Utility Management
P.O. Box 85160
Tucson, AZ 85754

Bill Number 13868
Bill Date 03/11/2024
Due Date 03/31/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
65100 Outside Services:Management Fees				2,817.50
64920 Office Supplies:Bill Forms	Statements			123.12
64930 Office Supplies:Termination Notices				0.81
64910 Office Supplies:Postage				99.84
60400 Bank Service Charges				54.03
620.1 Repairs and Maintenance	Blue Stakes			195.00
620.1 Repairs and Maintenance	Flushed tanks and chlorinated system to prevent buildup at tanks and valves			390.00 7A
TOTAL				3,680.30
PAYMENT PAID				3,653.30
BALANCE DUE				\$27.00

INVOICE

Southwestern Utility
Management
PO BOX 85160
TUCSON, AZ 85754-5160

accounting@southwesternutility.com



Hillcrest Water Company_1716599957757

Bill to
Hillcrest Water Company

Shipping info

Ship date: 08/01/2024

Invoice details

Invoice no.: 14446
Terms: Net 10 days
Invoice date: 08/01/2024
Due date: 08/11/2024

#	Product or service	Description	Qty	Rate	Amount
1.	17.50/Customer	Monthly Services - July 2024	198	\$17.50	\$3,465.00
2.	6212 Client Billing-Bill Forms	Client Billing-Billing Statements	169	\$0.81	\$136.89
3.	6212 Client Billing-Bill Forms	Client Billing-Termination Notices	26	\$0.81	\$21.06
4.	6213 Client Billing-Postage	Client Billing - Postage	171	\$0.64	\$109.44
5.	6214 Client Billing-Bank Fees	Client Billing - Bank Fees	1	\$54.42	\$54.42
6.		07/14 - QuickBooks Subscription			\$22.83
7.		6/25 - Dig around all tanks			\$360.00

Total \$4,169.64

Overdue 08/11/2024

7B

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

Bill

Vendor
Southwestern Utility Management
P.O. Box 85160
Tucson, AZ 85754

Bill Number 14539
Bill Date 10/15/2024
Due Date 10/31/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
65100 Outside Services:Management Fees				3,517.50
64920 Office Supplies:Bill Forms	Billing Statements			136.08
64930 Office Supplies:Termination Notices	Termination Notices			18.63
64910 Office Supplies:Postage	Postage			127.02
60400 Bank Service Charges	Bank Fees			51.21
64900 Office Supplies	Quickbooks			27.40
620.1 Repairs and Maintenance	Meter Change Outs		7C	360.00

INV 14445	TOTAL	4,237.84
	PAYMENT PAID	4,237.84
	BALANCE DUE	\$0.00

OUTSIDE SERVICES

Please provide (1) a list showing the individual cost components of the total purchased outside services expense and (2) invoices to support the **three** highest amounts shown on the list for each of the sub-accounts.

Cost components					
ACC Acct. No.	Vendor/Company	Date	Amount	Invoice Index	Service
632	Southwestern Utility Management	07/13/2024	\$1,250.00	632A	Accounting
632	Southwestern Utility Management	09/10/2024	\$27.40	632B	Accounting
632	Southwestern Utility Management	10/15/2024	\$27.40	632C	Accounting
634	Southwestern Utility Management	5/6/2024	\$3,640.00	634A	Management
634	Southwestern Utility Management	6/7/2024	\$3,552.50	634B	Management
634	Southwestern Utility Management	11/6/2024	\$3,552.50	634C	Management
632	Southwestern Utility Management	11/06/2024	\$27.40	NA	Accounting
632	Southwestern Utility Management	12/06/2024	\$27.40	NA	Accounting
632	Southwestern Utility Management	08/01/2024	\$22.83	NA	Accounting
634	Southwestern Utility Management	12/6/2024	\$3,552.50	NA	Management
634	Southwestern Utility Management	9/10/2024	\$3,517.50	NA	Management
634	Southwestern Utility Management	10/15/2024	\$3,517.50	NA	Management
634	Southwestern Utility Management	1/4/2024	\$3,482.50	NA	Management
634	Southwestern Utility Management	4/3/2024	\$3,482.50	NA	Management
634	Southwestern Utility Management	2/15/2024	\$3,465.00	NA	Management
634	Southwestern Utility Management	7/13/2024	\$3,465.00	NA	Management
634	Southwestern Utility Management	8/1/2024	\$3,465.00	NA	Management
634	Southwestern Utility Management	3/11/2024	\$2,817.50	NA	Management

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

Bill

Vendor
Southwestern Utility Management
P.O. Box 85160
Tucson, AZ 85754

Bill Number 14334
Bill Date 07/13/2024
Due Date 07/31/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
65100 Outside Services:Management Fees				3,465.00
64920 Office Supplies:Bill Forms				137.70
64930 Office Supplies:Termination Notices				20.25
64910 Office Supplies:Postage				111.36
60400 Bank Service Charges				54.42
64900 Office Supplies	Annual Reports		632A	1,250.00
64900 Office Supplies	Sanitary Survey Meeting			520.00
620000 Contract Svc-Material&Supplies	Expose tank for ADEQ			520.00
TOTAL				6,078.73
PAYMENT PAID				6,078.73
BALANCE DUE				\$0.00

INVOICE

Southwestern Utility
Management
PO BOX 85160
TUCSON, AZ 85754-5160

accounting@southwesternutility.com



Hillcrest Water Company_1716599957757

Bill to
Hillcrest Water Company

Shipping info

Ship date: 05/01/2024

Invoice details

Invoice no.: 14445
Terms: Net 10 days
Invoice date: 09/10/2024
Due date: 09/20/2024

#	Product or service	Description	Qty	Rate	Amount
1.	17.50/Customer	Monthly Services - August 2024	201	\$17.50	\$3,517.50
2.	6212 Client Billing-Bill Forms	Client Billing-Billing Statements	170	\$0.81	\$137.70
3.	6212 Client Billing-Bill Forms	Client Billing-Termination Notices	25	\$0.81	\$20.25
4.	6213 Client Billing-Postage	Client Billing - Postage	174	\$0.73	\$127.02
5.	6214 Client Billing-Bank Fees	Client Billing - Bank Fees	1	\$54.42	\$54.42
6.		08/14 - INTUIT *QBooks Online			\$27.40
7.	Field Tech - \$65	8/28 - PFAS Testing	3	\$65.00	\$195.00
8.	Field Tech - \$65	8/26 - Landscaping @ Wellsite	5	\$65.00	\$325.00
9.	Field Tech - \$65	8/26 - Service Verification at Well Site for ADOT	6	\$65.00	\$390.00

Total \$4,794.29

Overdue 09/20/2024

632B

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

Bill

Vendor
Southwestern Utility Management
P.O. Box 85160
Tucson, AZ 85754

Bill Number 14539
Bill Date 10/15/2024
Due Date 10/31/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
65100 Outside Services:Management Fees				3,517.50
64920 Office Supplies:Bill Forms	Billing Statements			136.08
64930 Office Supplies:Termination Notices	Termination Notices			18.63
64910 Office Supplies:Postage	Postage			127.02
60400 Bank Service Charges	Bank Fees			51.21
64900 Office Supplies	Quickbooks		632C	27.40
620.1 Repairs and Maintenance	Meter Change Outs			360.00

INV 14445	TOTAL	4,237.84
	PAYMENT PAID	4,237.84
	BALANCE DUE	\$0.00

INVOICE

Southwestern Utility
Management
PO BOX 85160
TUCSON, AZ 85754-5160

accounting@southwesternutility.com



Hillcrest Water Company_1716599957757

Bill to
Hillcrest Water Company

Shipping info

Ship date: 05/01/2024

Invoice details

Invoice no.: 13999
Terms: Net 10 days
Invoice date: 05/06/2024
Due date: 05/16/2024

#	Product or service	Description	Qty	Rate	Amount
1.	17.50/Customer	Monthly Services - April 2024	208	\$17.50	\$3,640.00
2.	6212 Client Billing-Bill Forms	Client Billing-Billing Statements	178	\$0.81	\$144.18
3.	6212 Client Billing-Bill Forms	Client Billing-Termination Notices	1	\$0.81	\$0.81
4.	6213 Client Billing-Postage	Client Billing - Postage	180	\$0.64	\$115.20
5.	6214 Client Billing-Bank Fees	Client Billing - Bank Fees	1	\$49.82	\$49.82
6.	Field Tech	HOA Service line Install	1	\$2,000.00	\$2,000.00

Total \$5,950.01

Overdue 05/16/2024

634A

INVOICE

Southwestern Utility
Management
PO BOX 85160
TUCSON, AZ 85754-5160

accounting@southwesternutility.com



Hillcrest Water Company_1716599957757

Bill to
Hillcrest Water Company

Shipping info

Ship date: 05/01/2024

Invoice details

Invoice no.: 14143
Terms: Net 10 days
Invoice date: 06/07/2024
Due date: 06/17/2024

#	Product or service	Description	Qty	Rate	Amount
1.	17.50/Customer	Monthly Services - May 2024	203	\$17.50	\$3,552.50
2.	6212 Client Billing-Bill Forms	Client Billing-Billing Statements	178	\$0.81	\$144.18
3.	6212 Client Billing-Bill Forms	Client Billing-Termination Notices	0	\$0.81	\$0.00
4.	6213 Client Billing-Postage	Client Billing - Postage	187	\$0.64	\$119.68
5.	6214 Client Billing-Bank Fees	Client Billing - Bank Fees	1	\$52.23	\$52.23
6.		New Service Line HOA - located faucet by mailboxes being used by residents to fill RVs No one new it existed just happen to see it being used. Exposed and cut line. Installed to curb stops and a meter box and had a HOA apply for service	1	\$993.75	\$993.75

Total \$4,862.34

Overdue 06/17/2024

INVOICE

Southwestern Utility
Management
PO BOX 85160
TUCSON, AZ 85754-5160

accounting@southwesternutility.com



Hillcrest Water Company_1716599957757

Bill to
Hillcrest Water Company

Shipping info

Ship date: 05/01/2024

Invoice details

Invoice no.: 14576
Terms: Net 10 days
Invoice date: 11/06/2024
Due date: 11/16/2024

#	Product or service	Description	Qty	Rate	Amount
1.	17.50/Customer	Monthly Services - October 2024	203	\$17.50	\$3,552.50
2.	6212 Client Billing-Bill Forms	Client Billing-Billing Statements	165	\$0.81	\$133.65
3.	6212 Client Billing-Bill Forms	Client Billing-Termination Notices	23	\$0.81	\$18.63
4.	6213 Client Billing-Postage	Client Billing - Postage	171	\$0.73	\$124.83
5.	6214 Client Billing-Bank Fees	Client Billing - Bank Fees	1	\$54.21	\$54.21
6.		10/14 - INTUIT *QBooks Online			\$27.40
7.	Field Tech - \$65	Emergency low pressure call - Booster pump failure	6	\$65.00	\$390.00
8.	Reimbursable Expense	Booster pump repair - Replaced all pipes and bladder on storage tanks and booster pump	1	\$5,131.00	\$5,131.00
9.	Reimbursable Expense	Replacement locks for all gates at well sites	1	\$61.25	\$61.25

Total \$9,493.47

634C

MISCELLANEOUS EXPENSES

Please provide (1) a list showing the individual cost components of the total purchased outside services expense and (2) invoices to support the three highest amounts shown on the list for each of the sub-accounts.

Cost components				
ACC Acct. No.	Vendor/Company	Date	Amount	Invoice Index
675	Southwestern Utility Management	12/06/2024	\$559.17	9A
675	Southwestern Utility Management	07/13/2024	\$520.00	9B
675	Southwestern Utility Management	12/06/2024	\$200.00	9A
675	Southwestern Utility Management	4/3/2024	\$85.00	NA
675	Arizona Department of Revenue	05/28/2024	\$29.13	NA

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

9A

Bill

Vendor
Southwestern Utility Management
P.O. Box 85160
Tucson, AZ 85754

Bill Number 14645
Bill Date 12/06/2024
Due Date 12/31/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
65100 Outside Services:Management Fees				3,552.50
64920 Office Supplies:Bill Forms	Billing Statements			136.89
64930 Office Supplies:Termination Notices	Termination Notices			15.39
64910 Office Supplies:Postage	Postage			125.56
60400 Bank Service Charges	Bank Fees			46.77
64900 Office Supplies	Quickbooks			27.40
620.1 Repairs and Maintenance	Install two new signs at well sites			195.00
675 Miscellaneous Expenses	Compilation of Lead Service Line data for water system, upload data to ADEQ website, publish information as required by ADEQ, generate notices to each utility customer and respond to customer questions regarding Lead Service Lines		9C	200.00
675 Miscellaneous Expenses	As required by ADEQ and EPA: Postage for LSL Notices - Includes color, Digital Opaque Text, formatted to 8.5" x 11" paper, Individual Envelopes printed per addressee, and same day drop off to Post Office		9A	559.17

INV 14445	TOTAL	4,858.68
	PAYMENT PAID	4,858.68
	BALANCE DUE	\$0.00

Hillcrest Water Company

P.O. Box
Tucson, AZ 85754 USA
+15124705065
Accounting@southwesternutility.com

9B

Bill

Vendor
Southwestern Utility Management
P.O. Box 85160
Tucson, AZ 85754

Bill Number 14334
Bill Date 07/13/2024
Due Date 07/31/2024

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
65100 Outside Services:Management Fees				3,465.00
64920 Office Supplies:Bill Forms				137.70
64930 Office Supplies:Termination Notices				20.25
64910 Office Supplies:Postage				111.36
60400 Bank Service Charges				54.42
64900 Office Supplies	Annual Reports			1,250.00
64900 Office Supplies	Sanitary Survey Meeting		9B	520.00
620000 Contract Svc-Material&Supplies	Expose tank for ADEQ			520.00
TOTAL				6,078.73
PAYMENT PAID				6,078.73
BALANCE DUE				\$0.00

Account: C0005692

Location	Owner Information	Assessment History				
Parcel Number 999-55-131	Owner Name HILLCREST WATER CO	Full Cash Value (FCV)		\$119,700		
Property Use 5500 - WATER UTILITY OPERATING PROPERTY	In Care Of Name BARBARA DUNLAP	Limited Property Value (LPV)		\$119,700		
Legal Summary TOTAL VALUE OF OPERATING PROPERTY	Owner Address 915 E BETHANY HOME ROAD	Primary Assessed		\$18,554		
Parcel Size 1.00	PHOENIX, AZ 85014	Secondary Assessed		\$18,554		
Code		Tax Area: 2703		Primary Rate: 4.5051		
Neighborhood				Secondary Rate: 5.3898		
Tax Area 9999 - CVP ONLY		Legal Class	FCV	LPV	Primary Assessed	Secondary Assessed
		01.06	\$119,700	\$119,700	\$18,554	\$18,554

Transfers

No Transfer Documents

Images