

ANNUAL REPORT

Of

Company Name:
7581 E. Academy Blvd., Ste. 229

Mailing Address: Denver CO
80230

**RECEIVED
BY EMAIL**
April 15, 2021, 3:00 P.M.
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Docket No.:
For the Year Ended:

WASTEWATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:
Application Date:

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Pine Meadows Utilities, LLC
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.

	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.

Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization	\$3,329			\$3,329		\$3,329
352	Franchises	0			0		0
353	Land and Land Rights	0			0		0
354	Structures and Improvements	27,290			27,290	17,333	9,958
355	Power Generation Equipment	90,000			90,000	85,500	4,500
360	Collections Wastewater - Force	109,550			109,550	34,254	75,296
361	Collections Wastewater - Gravity	205,528			205,528	142,191	63,337
362	Special Collecting Structures	0			0		0
363	Services to Customers	50,000			50,000	28,000	22,000
364	Flow Measuring Devices	0			0		0
365	Flow Measuring Installations	0			0		0
366	Reuse Services	0			0		0
367	Reuse Meters & Meter Installations	0			0		0
370	Receiving Wells	96,000			96,000	70,358	25,642
371	Pumping Equipment	28,046	2,400		30,446	22,727	7,719
374	Reuse Distribution Reservoirs	0			0		0
375	Reuse Trans. And Distr. Equipment	0			0		0
380	Treatment and Disposal Equipment	313,945			313,945	291,316	22,629
381	Plant Sewers	0			0		0
382	Outfall Sewer Lines	0			0		0
389	Other Plant and Misc. Equipment	7,537			7,537	7,537	0
390	Office Furniture and Equipment	130			130	129	1
390.1	Computer & Software	0			0		0
391	Transportation Equipment	0			0		0
392	Stores Equipment	0			0		0
393	Tools, Shop and Garage Equipment	0			0		0
394	Laboratory Equipment	4,211			4,211	3,930	280
395	Power Operated Equipment	0			0		0
396	Communication Equipment	0			0		0
397	Miscellaneous Equipment	0			0		0
398	Other Tangible Plant	101			101	88	13
	Totals	\$935,666	\$2,400	\$0	\$938,066	\$703,363	\$234,704

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.

Pine Meadows Utilities, LLC
 Annual Report
 Depreciation Expense for the Current Year (Wastewater)
 12/31/20

Depreciation Expense for the Current Year (Wastewater)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$3,329	\$0	\$0	\$3,329			\$0
352	Franchises	0	0	0	0			0
353	Land and Land Rights	0	0	0	0			0
354	Structures and Improvements	27,290	0	0	27,290		3.33%	909
355	Power Generation Equipment	90,000	0	0	90,000		5.00%	4,500
360	Collections Wastewater - Force	109,550	0	0	109,550		2.00%	2,191
361	Collections Wastewater - Gravity	205,528	0	0	205,528		2.00%	4,111
362	Special Collecting Structures	0	0	0	0			0
363	Services to Customers	50,000	0	0	50,000		2.00%	1,000
364	Flow Measuring Devices	0	0	0	0			0
365	Flow Measuring Installations	0	0	0	0			0
366	Reuse Services	0	0	0	0			0
367	Reuse Meters & Meter Installations	0	0	0	0			0
370	Receiving Wells	96,000	0	0	96,000		3.33%	3,197
371	Pumping Equipment	28,046	2,400	0	30,446		12.50%	3,656
374	Reuse Distribution Reservoirs	0	0	0	0			0
375	Reuse Trans. And Distr. Equipment	0	0	0	0			0
380	Treatment and Disposal Equipment	313,945	0	0	313,945		5.00%	15,697
381	Plant Sewers	0	0	0	0			0
382	Outfall Sewer Lines	0	0	0	0			0
389	Other Plant and Misc. Equipment	7,537	0	0	7,537		4.94%	372
390	Office Furniture and Equipment	130	0	0	130		6.67%	9
390.1	Computer & Software	0	0	0	0			0
391	Transportation Equipment	0	0	0	0			0
392	Stores Equipment	0	0	0	0			0
393	Tools, Shop and Garage Equipment	0	0	0	0			0
394	Laboratory Equipment	4,211	0	0	4,211		10.00%	421
395	Power Operated Equipment	0	0	0	0			0
396	Communication Equipment	0	0	0	0			0
397	Miscellaneous Equipment	0	0	0	0			0
398	Other Tangible Plant	101	0	0	101		10.00%	10
	Subtotal	\$935,666	\$2,400	\$0	\$938,066	\$0		\$36,072

Contribution(s) in Aid of Construction (Gross)	\$868,312
Less: Non Amortizable Contribution(s)	
Fully Amortized Contribution(s)	
Amortizable Contribution(s)	\$868,312
Times: Proposed Amortization Rate	3.89%
Amortization of CIAC	\$33,781
Less: Amortization of CIAC	\$33,781
DEPRECIATION EXPENSE	\$2,291

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.

Pine Meadows Utilities, LLC
 Annual Report
 Balance Sheet Assets
 12/31/20

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current and Accrued Assets			
131	Cash		\$296	\$2,780
132	Special Deposits			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		6,939	11,920
142	Other Accounts Receivable			
143	Accumulated Provision for Uncollectable Accounts			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
173	Accrued Utility Revenue			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$7,235	\$14,699
	Deferred Debits			
186.1	Deferred Rate Case Expense			
	Total Deferred Debits		\$0	\$0
	Fixed Assets			
101	Utility Plant in Service*		\$935,666	\$938,066
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(667,290)	(703,363)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$268,376	\$234,704
	Total Assets		\$275,611	\$249,403

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note these items feed automatically from the adjusted end of year balance from AR4.

Pine Meadows Utilities, LLC
 Annual Report
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current Liabilities			
231	Accounts Payable		\$281,126	\$296,823
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		2,336	2,084
236	Accrued Taxes			
237	Accrued Interest			
241	Miscellaneous Current and Accrued Liabilities		8,741	5,141
253	Other Deferred Credits			
	Total Current Liabilities		\$292,204	\$304,049
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
252	Advances in Aid of Construction			
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		868,312	868,312
272	Less: Amortization of Contributions		(568,066)	(601,847)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$300,246	\$266,465
	Total Liabilities		\$592,450	\$570,514
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital		(292,935)	(316,840)
215	Retained Earnings		(23,905)	(4,271)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(\$316,840)	(\$321,111)
	Total Liabilities and Capital		\$275,611	\$249,403

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

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

Pine Meadows Utilities, LLC
Annual Report
Wastewater Comparative Income Statement
12/31/20

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year	Last Year
		01/01/2020 - 12/31/2020	01/01/2019 - 12/31/2019
	Operating Revenue		
521	Flat Rate Revenues	\$68,435	\$59,486
522	Measured Revenues		
534	Rents from Wastewater Property		
536	Other Wastewater Revenues	730	956
	Total Revenues	\$69,165	\$60,442
	Operating Expenses		
701	Salaries and Wages		
704	Employee Pensions and Benefits		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	82	1,800
715	Purchased Power	11,477	11,532
716	Fuel for Power Production		
718	Chemicals	7,036	6,708
720	Materials and Supplies	2,258	
720.1	Repairs and Maintenance	1,690	1,619
720.2	Office Supplies and Expense		
721	Office Expense	85	
731	Contractual Services -Engineering		
732	Contractual Services - Accounting	825	800
733	Contractual Services - Legal	0	1,168
734	Contractual Services - Management Fees	27,630	30,801
735	Contractual Services - Testing	9,658	10,820
736	Contractual Services - Other		
740	Rents - Building		
742	Rents - Equipment		
750	Transportation Expenses		725
757	Insurance - General Liability	380	286
758	Insurance - Worker's Compensation		
759	Insurance - Other		
760	Advertising Expense		
766	Regulatory Commission Expense - Rate Case	4,766	
767	Regulatory Commission Expense - Other	250	11,418
770	Bad Debt Expense		
775	Miscellaneous Expense	2,104	3,453
403	Depreciation Expense (From Schedule AR4)	2,291	2,461
408	Taxes Other Than Income		
408.11	Property Taxes	3,189	3,131
408.12	Payroll Taxes		
409	Income Taxes		
	Total Operating Expenses	\$73,720	\$86,723
	Operating Income / (Loss)	(\$4,555)	(\$26,280)
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions		
419	Interest and Dividend Income		
421	Non-Utility Income	310	300
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)	(26)	(5)
	Total Other Income / (Expense)	\$284	\$295
	Net Income / (Loss)	(\$4,271)	(\$25,985)

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			0.2	0.2
Engineering Staff				0.0
System Operator(s)			0.3	0.3
Customer Service			0.3	0.3
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff			0.2	0.2
Other				0.0
Total	0.0	0.0	1.0	1.0

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

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

Meter Deposit Balance at Test Year End:	
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Meter Deposits Refunded During the Test Year:	
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<i>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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.</i>

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow (Gallons)	Sewage Flow on Peak Day	Purchased Power Expense ¹	Purchased Power (kWh) ²
January	119	319,000	12,000	\$1,025	920
February	119	287,000	15,000	919	876
March	119	303,000	12,000	875	843
April	119	328,000	15,000	843	958
May	119	332,000	16,000	958	897
June	119	313,000	22,000	897	1,040
July	120	323,000	13,000	1,040	1,043
August	120	315,000	13,000	1,043	1,061
September	121	319,000	14,000	1,061	1,006
October	125	324,000	14,000	1,005	891
November	120	293,000	12,000	891	923
December	118	302,000	12,000	922	974
Totals		3,758,000	170,000	\$11,479	11,431

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Other
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit ("APP") Number	P103676
ADEQ Reuse Permit Number	
EPA NPDES Permil Number	AZ0025305
APP Effluent Treatment Requirement (Class)?	
Permitted Flow Rate	37,000 gpd
Permitted Organic Capacity	
Hydraulic Capacity	37,000 gpd
Type of Biological Treatment	

In the space below, list all violations within the past 12 months:

NOV case id # 188156 opened Feb 19, 2020 closed NOV case id # 188156 closed April 14, 2020

Note: If you are filing for more than one system, please provide separate sheets for each system.

¹ Enter the total purchased power costs for the power meters associated with this system.
² Enter the total purchased kWh used by the power meters associated with this system.

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.

Other Wastewater System Information

Provide a calculation used to determine the value of one wastewater 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 days.
- (b) If no historical flow data are available, use:
$$ERC = (\text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated. Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

NOTE: Total gallons treated includes both treated and purchased treatment.

ERC
Method used:

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.

If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.

If the utility does not engage in reuse, has a reuse feasibility study been completed?

If so, when?

Pine Meadows Utilities, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/20

Utility Shutoffs / Disconnects	
Name of System:	Pine Meadows Utilities, LLC
Wastewater Inventory Number (if applicable):	103676

Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	0	0	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 2020 was

\$3,189

If no property taxes paid, explain why.

Grey cell for explanation of no property taxes paid.

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Sworn Statement (Taxes)

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

County of (county name): Denver
Name (owner or official) title: Jason Williamson, Manager
Company name: Pine Meadows Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/20

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



signature of owner/official

720.949.1384
telephone no.

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

THIS

15th

DAY OF

Denver

(county name)

April 2021
(month) and (year)

MY COMMISSION EXPIRES

03/22/2025
(date)



(signature of notary public)

Eric Andrew Jones
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20174010338
MY COMMISSION EXPIRES 03/22/2025

Verification and Sworn Statement

Verification:

State of Colorado I, the undersigned of the
(state name)
County of (county name): 0 Denver
Name (owner or official) title: Jason Williamson, Manager
Company name: Pine Meadows Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/20

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: 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 (\$)
\$69,165
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

[Signature]
signature of owner/official
720.949.1384
telephone no.

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

THIS 15th DAY OF April 2021
(month) and (year)

MY COMMISSION EXPIRES 03/22/2025
(date)

Eric Andrew Jones
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20174010338
MY COMMISSION EXPIRES 03/22/2025

[Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): 0 Denver
Name (owner or official) title: Jason Williamson, Manager
Company name: Pine Meadows Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/20

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: 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 (\$)

\$69,165
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

[Signature]
signature of owner/official
720.949.1384
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Denver
(county name)

THIS 15th DAY OF April 2021
(month) and (year)

MY COMMISSION EXPIRES 03/22/2025
(date)

Eric Andrew Jones
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20174010338
MY COMMISSION EXPIRES 03/22/2025

[Signature]
(signature of notary public)