

RECEIVED
BY EMAIL

6/20/2024, 12:11 PM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT

Of

Company Name: Joshua Valley Utility Company
6810 E. Horseshoe Rd.

Mailing Address: Paradise Valley AZ
85253

Docket No.: W-02023A
For the Year Ended: 12/31/23

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

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

Application Type: Original Filing
Application Date: 6/20/2024

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Joshua Valley Utility Company
A Class Utility

For the Calendar Year Ended: 12/31/23

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
--

No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	N/A

No	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.
	N/A

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	6,176	0	0	6,176	0	6,176
304	Structures and Improvements	76,284	0	0	76,284	13,908	62,376
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	113,823	2,476	0	116,299	59,790	56,509
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	115,395	0	0	115,395	104,539	10,856
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	75,716	0	0	75,716	40,630	35,086
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	2,009,272	0	0	2,009,272	1,602,124	407,148
333	Services	30,146	0	18,456	11,690	11,690	0
334	Meters and Meter Installations	60,062	2,670	0	62,732	52,449	10,283
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	11,367	809	0	12,176	11,394	782
340.1	Computer & Software	18,048	2,793	0	20,841	15,597	5,244
341	Transportation Equipment	72,961	1	0	72,962	54,822	18,140
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	5,423	1,969	0	7,392	3,472	3,920
344	Laboratory Equipment	868	0	868	0	0	0
345	Power Operated Equipment	5,331	0	0	5,331	5,331	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	6,523	3,426	0	9,949	3,920	6,029
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$2,607,395	\$14,144	\$19,324	\$2,602,215	\$1,979,666	\$622,549

Joshua Valley Utility Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/23

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,176	0	0	6,176	6,176	0	0.00%	0
304	Structures and Improvements	76,284	0	0	76,284	2,745	73,539	3.33%	2,449
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	113,823	2,476	0	116,299	29,238	87,061	3.33%	2,858
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	115,395	0	0	115,395	80,887	34,508	12.50%	4,314
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	75,716	0	0	75,716	0	75,716	2.22%	1,681
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	2,009,272	0	0	2,009,272	0	2,009,272	2.00%	40,185
333	Services	30,146	0	18,456	11,690	18,456	(6,766)	0.00%	0
334	Meters and Meter Installations	60,062	2,670	0	62,732	44,837	17,895	8.33%	1,379
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	11,367	809	0	12,176	11,367	809	6.67%	27
340.1	Computer & Software	18,048	2,793	0	20,841	8,946	11,895	20.00%	2,100
341	Transportation Equipment	72,961	1	0	72,962	0	72,962	20.00%	14,592
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	5,423	1,969	0	7,392	0	7,392	5.00%	320
344	Laboratory Equipment	868	0	868	0	0	0	0.00%	0
345	Power Operated Equipment	5,331	0	0	5,331	5,331	0	5.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	6,523	3,426	0	9,949	357	9,592	10.00%	788
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$2,607,395	\$14,144	\$19,324	\$2,602,215	\$208,340	\$2,393,875		\$70,693

Contribution(s) in Aid of Construction (Gross)	\$58,343
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$58,343</u>
Times: Proposed Amortization Rate	3.00%
Amortization of CIAC	\$1,750

Less: Amortization of CIAC \$1,750

DEPRECIATION EXPENSE **\$68,943**

Joshua Valley Utility Company
Annual Report
Balance Sheet Assets
12/31/23

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current and Accrued Assets			
131	Cash		\$492,695	\$67,199
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		4,520	20,352
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		7,776	11,809
174	Miscellaneous Current and Accrued Assets		1,100	(600)
	Total Current and Accrued Assets		\$506,091	\$98,760
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,607,395	\$2,602,215
103	Property Held for Future Use		0	0
105	Construction Work in Progress		4,123	0
108	Accumulated Depreciation (enter as negative)*		(1,916,627)	(1,979,666)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$694,891	\$622,549
	Total Assets		\$1,200,982	\$721,309

*Note these items feed automatically from AR3 UPIS Page 4

Joshua Valley Utility Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current Liabilities			
231	Accounts Payable		\$8,358	\$13,079
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		713	1,635
236	Accrued Taxes		7,520	2,340
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		12,943	57
	Total Current Liabilities		\$29,534	\$17,111
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		29,317	21,969
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		58,343	58,343
272	Less: Amortization of Contributions		(40,256)	(42,006)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$47,404	\$38,306
	Total Liabilities		\$76,938	\$55,417
	Capital Accounts			
201	Common Stock Issued		\$2,000	\$2,000
211	Other Paid-In Capital		9,701	127,672
215	Retained Earnings		1,112,343	536,220
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$1,124,044	\$665,892
	Total Liabilities and Capital		\$1,200,982	\$721,309

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

Joshua Valley Utility Company
Annual Report
Water Comparative Income Statement
12/31/23

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$384,039	\$446,293
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	4,469	0
	Total Revenues	\$388,508	\$446,293
	Operating Expenses		
601	Salaries and Wages	\$150,069	\$155,892
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	38,213	36,511
618	Chemicals	116	0
620	Materials and Supplies	5,587	0
620.1	Repairs and Maintenance	10,203	107,448
620.2	Office Supplies and Expense	26,749	25,534
630	Contractual Services	46	950
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	992	7,560
633	Contractual Services - Legal	1,059	2,571
634	Contractual Services - Management Fees	142,341	0
635	Contractual Services - Water Testing	3,943	0
636	Contractual Services - Other	3,075	37,032
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	1,422
650	Transportation Expenses	10,465	18,952
657	Insurance - General Liability	4,434	13,031
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	126	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	3,777	13,619
403	Depreciation Expense (From Schedule AR4)	68,943	68,740
408	Taxes Other Than Income	10,652	12,167
408.11	Property Taxes	17,255	30,426
409	Income Taxes	(6,771)	0
427.1	Customer Security Deposit Interest	18	0
	Total Operating Expenses	\$491,292	\$531,855
	Operating Income / (Loss)	(\$102,784)	(\$85,562)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$1,307	\$4,952
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	(13)	0
427	Interest (Expense)	0	(176)
	Total Other Income / (Expense)	\$1,294	\$4,776
	Net Income / (Loss)	(\$101,490)	(\$80,786)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	1.6	0.0	0.0	1.6
Meter reader	0.4	0.0	0.0	0.4
Customer Service	0.5	0.0	0.0	0.5
Accounting	1.0	0.0	0.2	1.2
Business Office	0.5	0.0	0.0	0.5
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	4.0	0.0	0.2	4.2

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

Meter Deposit Balance at Test Year End:	\$31,108
---	----------

Meter Deposits Refunded During the Test Year:	\$618
---	-------

List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	NA
-----------------------------	----

STRUCTURES:	TWO 20X60 FOOT METAL BUILDINGS, OFFICE BUILDING
--------------------	---

OTHER:	BACKHOE/ FRONT LOADER, COIN OPERATED METERED STANDPIPE, TOW SERVICE TANKS, TWO SERVICE TRUCKS
---------------	---

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	94
Method used:	(a)

Customer and Other Information	
Name of the System:	JOSHUA VALLEY UTIL CO
ADEQ Public Water System Number:	AZ0408017
ADWR PCC Number:	91-000314.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	1,014	1	28	0	4
February	1,011	1	28	0	4
March	1,010	1	28	0	4
April	1,006	1	28	0	4
May	1,003	1	28	0	4
June	1,006	1	28	0	4
July	1,010	1	28	0	4
August	1,010	1	28	0	4
September	1,011	1	28	0	4
October	1,014	1	28	0	4
November	1,010	1	28	0	4
December	1,010	1	28	0	4

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

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

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.

NA

* an ERC is based on the calculation on the bottom of AR9 page 12.

Joshua Valley Utility Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	JOSHUA VALLEY UTIL CO
ADEQ Public Water System Number:	AZ0408017
ADWR PCC Number:	91-000314.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	11	0
February	0	10	0
March	0	12	0
April	0	13	0
May	0	1	0
June	0	10	0
July	0	13	0
August	0	14	0
September	0	11	0
October	0	13	0
November	0	11	0
December	0	14	0
Total	0	133	0

Other (description):

N/A

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

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2023 was	\$17,255

If no property taxes paid, explain why.

n/a

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

Verification and Certification (Taxes)

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

County of (county name): Cochise
Name (owner or official) title: DUSTIN DESPAIN
Company name: Joshua Valley Utility Company

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

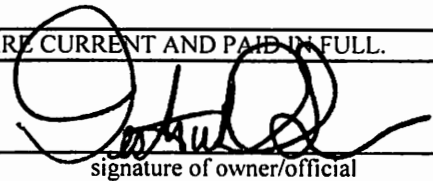
FOR THE YEAR ENDING: 12/31/23

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

Certification:

I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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



signature of owner/official

520-265-5350
telephone no.