

RECEIVED
UTILITIES DIVISION

2024 APR 15 A 11:57

ANNUAL REPORT

Of

ARIZONA CORPORATION
COMMISSION

Company Name:
480 Raintree Rd

Mailing Address: Sedona AZ
86351

Docket No.: W-02181A
For the Year Ended:

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:
Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Pine Valley Water 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

	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

	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	\$4,298			\$4,298	\$4,298	\$0
302	Franchises	75			75	75	0
303	Land and Land Rights	11,994			11,994	11,994	0
304	Structures and Improvements	10,007			10,007	10,007	0
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	9,872			9,872	9,872	0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	51,394			51,394	51,394	0
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants	57,233			57,233	42,923	14,310
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks				0		0
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	54,957			54,957	54,957	0
333	Services	20,669			20,669	20,669	0
334	Meters and Meter Installations	7,615			7,615	7,615	0
335	Hydrants	4,759			4,759	4,759	0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment	10,448			10,448	517	9,931
340	Office Furniture and Equipment	644			644	644	0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant	14,857			14,857	14,857	0
	Totals	\$258,822	\$0	\$0	\$258,822	\$234,581	\$24,241

Pine Valley Water 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	\$4,298	\$0	\$0	\$4,298	\$4,298	\$0		\$0
302	Franchises	75	0	0	75	75	0		0
303	Land and Land Rights	11,994	0	0	11,994	11,994	0		0
304	Structures and Improvements	10,007	0	0	10,007	10,007	0		0
305	Collecting & Improving Reservoirs	0	0	0	0		0		0
306	Lake, River, Canal Intakes	0	0	0	0		0		0
307	Wells and Springs	9,872	0	0	9,872	9,872	0		0
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	51,394	0	0	51,394	51,394	0		0
320	Water Treatment Equipment	0	0	0	0		0		0
320.1	Water Treatment Plants	57,233	0	0	57,233		57,233	2.00%	1,145
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	0	0	0	0		0		0
330.2	Pressure Tanks	0	0	0	0		0		0
331	Transmission and Distribution Mains	54,957	0	0	54,957	54,957	0		0
333	Services	20,669	0	0	20,669	20,669	0		0
334	Meters and Meter Installations	7,615	0	0	7,615	7,615	0		0
335	Hydrants	4,759	0	0	4,759	4,759	0		0
336	Backflow Prevention Devices	0	0	0	0		0		0
339	Other Plant and Misc. Equipment	10,448	0	0	10,448		10,448	2.00%	209
340	Office Furniture and Equipment	644	0	0	644	644	0		0
340.1	Computer & Software	0	0	0	0		0		0
341	Transportation Equipment	0	0	0	0		0		0
342	Stores Equipment	0	0	0	0		0		0
343	Tools, Shop and Garage Equipment	0	0	0	0		0		0
344	Laboratory Equipment	0	0	0	0		0		0
345	Power Operated Equipment	0	0	0	0		0		0
346	Communication Equipment	0	0	0	0		0		0
347	Miscellaneous Equipment	0	0	0	0		0		0
348	Other Tangible Plant	14,857	0	0	14,857	14,857	0		0
	Subtotal	\$258,822	\$0	\$0	\$258,822	\$191,141	\$67,681		\$1,354

Contribution(s) in Aid of Construction (Gross)

Less: Non Amortizable Contribution(s)

Fully Amortized Contribution(s)

Amortizable Contribution(s)

Times: Proposed Amortization Rate

Amortization of CIAC

\$0

2.00%

\$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Pine Valley Water 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		\$3,000	\$8,236
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		5,847	5,957
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		(8,470)	(8,841)
	Total Current and Accrued Assets		\$377	\$5,352
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$258,822	\$258,822
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(231,206)	(234,581)
121	Non-Utility Property		34,501	34,501
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$62,117	\$58,742
	Total Assets		\$62,494	\$64,094

*Note these items feed automatically from AR3 UPIS Page 4

Pine Valley Water 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		\$43,962	\$48,462
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		16,365	17,055
236	Accrued Taxes		545	583
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$60,872	\$66,100
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction			
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction			
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$0	\$0
	Total Liabilites		\$60,872	\$66,100
	Capital Accounts			
201	Common Stock Issued		\$1,000	\$1,000
211	Other Paid-In Capital		78,967	78,790
215	Retained Earnings		(78,345)	(81,796)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$1,622	(\$2,006)
	Total Liabilities and Capital		\$62,494	\$64,094

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

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

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 -	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$121,232	\$120,427
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	\$121,232	\$120,427
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	15,245	14,155
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	12,016	12,992
620.2	Office Supplies and Expense		956
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	875	875
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	86,000	75,794
635	Contractual Services - Water Testing		
636	Contractual Services - Other	7,677	13,438
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability	2,692	2,302
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	828	1,602
403	Depreciation Expense (From Schedule AR4)	1,354	1,354
408	Taxes Other Than Income		
408.11	Property Taxes	3,360	3,559
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$130,047	\$127,027
	Operating Income / (Loss)	(\$8,815)	(\$6,600)
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$8,815)	(\$6,600)

Pine Valley Water Company
 Annual Report
 Full time equivalent employees
 12/31/23

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			2,080.0	2,080.0
Engineering Staff				0.0
System Operator(s)			2,080.0	2,080.0
Meter reader				0.0
Customer Service				0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	4,160.0	4,160.0

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	N/A			
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:

Meter Deposits Refunded During the Test Year:

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			
Name of the System:	PINE VALLEY WATER CO		
ADEQ Public Water System Number:	AZ0413103		
ADWR PCC Number:	91-000656.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	PVC 40	8,378
6.00	PVC 40	100,317

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	156		90%
1	29		0%
2	1		0%

SERVICE LINES		
Material	Percent of system	Year installed
Black poly	100%	1997

BOOSTER PUMPS		
Horsepower	GPM	Quantity
7.5	75	2

FIRE HYDRANTS	
Type	Quantity
Standard *	6
Other	1

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
166,000	GALVANIZED STEEL	1	1972
40	GALVANIZED STEEL	1	1972

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	GALVANIZED STEEL	1	1972

* 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)
--

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

TREATMENT EQUIPMENT:	ARSENIC REMOVAL ABSORPTION UNIT/ VESSEL/ FILTERS/ FLOW METER
STRUCTURES:	ARSENIC TREATMENT FACILITY BUILDING/ STORAGE SUPPLY/ GENERATOR BUILDING/ FENCES
OTHER:	

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

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (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

226

 Method used:

(a)

Customer and Other Information	
Name of the System:	PINE VALLEY WATER CO
ADEQ Public Water System Number:	AZ0413103
ADWR PCC Number:	91-000656.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	183				
February	183				
March	185				
April	184				
May	184				
June	186				
July	188				
August	185				
September	184				
October	185				
November	183				
December	184				

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.

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

Pine Valley Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	PINE VALLEY WATER CO
ADEQ Public Water System Number:	AZ0413103
ADWR PCC Number:	91-000656.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	N/A		
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 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	\$3,360
--	---------

If no property taxes paid, explain why.

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

Pine Valley Water Company
Annual Report
Verification and Certification (Taxes)
12/31/23

Verification and Certification (Taxes)

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

County of (county name): Yavapai
Name (owner or official) title: LISA WISCHMEIER SECRETARY
Company name: Pine Valley Water 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 RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement:

Lisa Wischmeier 3-25-24
signature of owner/official

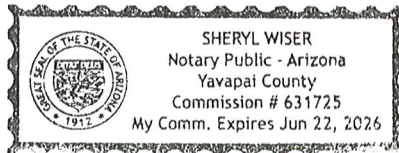
928-451-1640
telephone no.

RECEIVED
UTILITIES DIVISION
2024 APR 15 A 11:57
ARIZONA CORPORATION
COMMISSION

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

THIS 25 DAY OF Yavapai
March, 2024
(month) and (year)

MY COMMISSION EXPIRES June 22, 2026
(date)



Sheryl Wisner
(signature of notary public)