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2019 APR 17 A 8 27

**ANNUAL REPORT**

Of

Company Name: **Pinecrest Water Company, Inc.**  
PO Box 97

Mailing Address: Nutrioso AZ  
85932

Docket No.: W-02091A  
For the Year Ended: 12/31/18

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdelafuente@azcc.gov](mailto:rdelafuente@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: 4/9/2019

4-22-19

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Pinecrest Water Company, Inc.  
A Class ☐ A ☒ B ☐ C ☐ D ☐ E ☐ F ☐ G ☐ H ☐ I ☐ J ☐ K ☐ L ☐ M ☐ N ☐ O ☐ P ☐ Q ☐ R ☐ S ☐ T ☐ U ☐ V ☐ W ☐ X ☐ Y ☐ Z ☐ AA ☐ AB ☐ AC ☐ AD ☐ AE ☐ AF ☐ AG ☐ AH ☐ AI ☐ AJ ☐ AK ☐ AL ☐ AM ☐ AN ☐ AO ☐ AP ☐ AQ ☐ AR ☐ AS ☐ AT ☐ AU ☐ AV ☐ AW ☐ AX ☐ AY ☐ AZ ☐ BA ☐ BB ☐ BC ☐ BD ☐ BE ☐ BF ☐ BG ☐ BH ☐ BI ☐ BJ ☐ BK ☐ BL ☐ BM ☐ BN ☐ BO ☐ BP ☐ BQ ☐ BR ☐ BS ☐ BT ☐ BU ☐ BV ☐ BW ☐ BX ☐ BY ☐ BZ ☐ CA ☐ CB ☐ CC ☐ CD ☐ CE ☐ CF ☐ CG ☐ CH ☐ CI ☐ CJ ☐ CK ☐ CL ☐ CM ☐ CN ☐ CO ☐ CP ☐ CQ ☐ CR ☐ CS ☐ CT ☐ CU ☐ CV ☐ CW ☐ CX ☐ CY ☐ CZ ☐ DA ☐ DB ☐ DC ☐ DD ☐ DE ☐ DF ☐ DG ☐ DH ☐ DI ☐ DJ ☐ DK ☐ DL ☐ DM ☐ DN ☐ DO ☐ DP ☐ DQ ☐ DR ☐ DS ☐ DT ☐ DU ☐ DV ☐ DW ☐ DX ☐ DY ☐ DZ ☐ EA ☐ EB ☐ EC ☐ ED ☐ EE ☐ EF ☐ EG ☐ EH ☐ EI ☐ EJ ☐ EK ☐ EL ☐ EM ☐ EN ☐ EO ☐ EP ☐ EQ ☐ ER ☐ ES ☐ ET ☐ EU ☐ EV ☐ EW ☐ EX ☐ EY ☐ EZ ☐ FA ☐ FB ☐ FC ☐ FD ☐ FE ☐ FF ☐ FG ☐ FH ☐ FI ☐ FJ ☐ FK ☐ FL ☐ FM ☐ FN ☐ FO ☐ FP ☐ FQ ☐ FR ☐ FS ☐ FT ☐ FU ☐ FV ☐ FW ☐ FX ☐ FY ☐ FZ ☐ GA ☐ GB ☐ GC ☐ GD ☐ GE ☐ GF ☐ GG ☐ GH ☐ GI ☐ GJ ☐ GK ☐ GL ☐ GM ☐ GN ☐ GO ☐ GP ☐ GQ ☐ GR ☐ GS ☐ GT ☐ GU ☐ GV ☐ GW ☐ GX ☐ GY ☐ GZ ☐ HA ☐ HB ☐ HC ☐ HD ☐ HE ☐ HF ☐ HG ☐ HH ☐ HI ☐ HJ ☐ HK ☐ HL ☐ HM ☐ HN ☐ HO ☐ HP ☐ HQ ☐ HR ☐ HS ☐ HT ☐ HU ☐ HV ☐ HW ☐ HX ☐ HY ☐ HZ ☐ IA ☐ IB ☐ IC ☐ ID ☐ IE ☐ IF ☐ IG ☐ IH ☐ II ☐ IJ ☐ IK ☐ IL ☐ IM ☐ IN ☐ IO ☐ IP ☐ IQ ☐ IR ☐ IS ☐ IT ☐ IU ☐ IV ☐ IW ☐ IX ☐ IY ☐ IZ ☐ JA ☐ JB ☐ JC ☐ JD ☐ JE ☐ JF ☐ JG ☐ JH ☐ JI ☐ JJ ☐ JK ☐ JL ☐ JM ☐ JN ☐ JO ☐ JP ☐ JQ ☐ JR ☐ JS ☐ JT ☐ JU ☐ JV ☐ JW ☐ JX ☐ JY ☐ JZ ☐ KA ☐ KB ☐ KC ☐ KD ☐ KE ☐ KF ☐ KG ☐ KH ☐ KI ☐ KJ ☐ KK ☐ KL ☐ KM ☐ KN ☐ KO ☐ KP ☐ KQ ☐ KR ☐ KS ☐ KT ☐ KU ☐ KV ☐ KW ☐ KX ☐ KY ☐ KZ ☐ LA ☐ LB ☐ LC ☐ LD ☐ LE ☐ LF ☐ LG ☐ LH ☐ LI ☐ LJ ☐ LK ☐ LL ☐ LM ☐ LN ☐ LO ☐ LP ☐ LQ ☐ LR ☐ LS ☐ LT ☐ LU ☐ LV ☐ LW ☐ LX ☐ LY ☐ LZ ☐ MA ☐ MB ☐ MC ☐ MD ☐ ME ☐ MF ☐ MG ☐ MH ☐ MI ☐ MJ ☐ MK ☐ ML ☐ MM ☐ MN ☐ MO ☐ MP ☐ MQ ☐ MR ☐ MS ☐ MT ☐ MU ☐ MV ☐ MW ☐ MX ☐ MY ☐ MZ ☐ NA ☐ NB ☐ NC ☐ ND ☐ NE ☐ NF ☐ NG ☐ NH ☐ NI ☐ NJ ☐ NK ☐ NL ☐ NM ☐ NN ☐ NO ☐ NP ☐ NQ ☐ NR ☐ NS ☐ NT ☐ NU ☐ NV ☐ NW ☐ NX ☐ NY ☐ NZ ☐ OA ☐ OB ☐ OC ☐ OD ☐ OE ☐ OF ☐ OG ☐ OH ☐ OI ☐ OJ ☐ OK ☐ OL ☐ OM ☐ ON ☐ OO ☐ OP ☐ OQ ☐ OR ☐ OS ☐ OT ☐ OU ☐ OV ☐ OW ☐ OX ☐ OY ☐ OZ ☐ PA ☐ PB ☐ PC ☐ PD ☐ PE ☐ PF ☐ PG ☐ PH ☐ PI ☐ PJ ☐ PK ☐ PL ☐ PM ☐ PN ☐ PO ☐ PP ☐ PQ ☐ PR ☐ PS ☐ PT ☐ PU ☐ PV ☐ PW ☐ PX ☐ PY ☐ PZ ☐ QA ☐ QB ☐ QC ☐ QD ☐ QE ☐ QF ☐ QG ☐ QH ☐ QI ☐ QJ ☐ QK ☐ QL ☐ QM ☐ QN ☐ QO ☐ QP ☐ QQ ☐ QR ☐ QS ☐ QT ☐ QU ☐ QV ☐ QW ☐ QX ☐ QY ☐ QZ ☐ RA ☐ RB ☐ RC ☐ RD ☐ RE ☐ RF ☐ RG ☐ RH ☐ RI ☐ RJ ☐ RK ☐ RL ☐ RM ☐ RN ☐ RO ☐ RP ☐ RQ ☐ RR ☐ RS ☐ RT ☐ RU ☐ RV ☐ RW ☐ RX ☐ RY ☐ RZ ☐ SA ☐ SB ☐ SC ☐ SD ☐ SE ☐ SF ☐ SG ☐ SH ☐ SI ☐ SJ ☐ SK ☐ SL ☐ SM ☐ SN ☐ SO ☐ SP ☐ SQ ☐ SR ☐ SS ☐ ST ☐ SU ☐ SV ☐ SW ☐ SX ☐ SY ☐ SZ ☐ TA ☐ TB ☐ TC ☐ TD ☐ TE ☐ TF ☐ TG ☐ TH ☐ TI ☐ TJ ☐ TK ☐ TL ☐ TM ☐ TN ☐ TO ☐ TP ☐ TQ ☐ TR ☐ TS ☐ TT ☐ TU ☐ TV ☐ TW ☐ TX ☐ TY ☐ TZ ☐ UA ☐ UB ☐ UC ☐ UD ☐ UE ☐ UF ☐ UG ☐ UH ☐ UI ☐ UJ ☐ UK ☐ UL ☐ UM ☐ UN ☐ UO ☐ UP ☐ UQ ☐ UR ☐ US ☐ UT ☐ UU ☐ UV ☐ UW ☐ UX ☐ UY ☐ UZ ☐ VA ☐ VB ☐ VC ☐ VD ☐ VE ☐ VF ☐ VG ☐ VH ☐ VI ☐ VJ ☐ VK ☐ VL ☐ VM ☐ VN ☐ VO ☐ VP ☐ VQ ☐ VR ☐ VS ☐ VT ☐ VU ☐ VV ☐ VW ☐ VX ☐ VY ☐ VZ ☐ WA ☐ WB ☐ WC ☐ WD ☐ WE ☐ WF ☐ WG ☐ WH ☐ WI ☐ WJ ☐ WK ☐ WL ☐ WM ☐ WN ☐ WO ☐ WP ☐ WQ ☐ WR ☐ WS ☐ WT ☐ WU ☐ WV ☐ WW ☐ WX ☐ WY ☐ WZ ☐ XA ☐ XB ☐ XC ☐ XD ☐ XE ☐ XF ☐ XG ☐ XH ☐ XI ☐ XJ ☐ XK ☐ XL ☐ XM ☐ XN ☐ XO ☐ XP ☐ XQ ☐ XR ☐ XS ☐ XT ☐ XU ☐ XV ☐ XW ☐ XX ☐ XY ☐ XZ ☐ YA ☐ YB ☐ YC ☐ YD ☐ YE ☐ YF ☐ YG ☐ YH ☐ YI ☐ YJ ☐ YK ☐ YL ☐ YM ☐ YN ☐ YO ☐ YP ☐ YQ ☐ YR ☐ YS ☐ YT ☐ YU ☐ YV ☐ YW ☐ YX ☐ YY ☐ YZ ☐ ZA ☐ ZB ☐ ZC ☐ ZD ☐ ZE ☐ ZF ☐ ZG ☐ ZH ☐ ZI ☐ ZJ ☐ ZK ☐ ZL ☐ ZM ☐ ZN ☐ ZO ☐ ZP ☐ ZQ ☐ ZR ☐ ZS ☐ ZT ☐ ZU ☐ ZV ☐ ZW ☐ ZX ☐ ZY ☐ ZZ

1. For the Calendar Year Ended: 12/31/18

2. Address: 

PO Box 97			
City: Nutrioso	State: Arizona	Zip Code: 85932	

3. Telephone Number: 

928-339-4972
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4. Date of Original Organization of Utility: 

7/1/1978
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5. Person to whom correspondence should be addressed concerning this report:

Name:	Nathan Castillo	
Telephone No. :	928-339-4972	
Address: PO Box 97		
City: Nutrioso	State: Arizona	Zip Code: 85932
Email:	pinecrstwatercompany@gmail.com	

6. On-Site Manager:

Name:	Nathan Castillo	
Telephone No. :	928-339-4972	
Address: PO Box 97		
City: Nutrioso	State: Arizona	Zip Code: 85932
Email:	pinecrestwatercompany @gmail.com	

7. Ownership: 

"C" Corporation
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8. Counties Served: 

Apache
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Pinecrest Water Company, Inc.  
Annual Report  
Utility Plant in Service (Water)  
12/31/18

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	\$750	\$0	\$0	\$750	\$0	\$750
302	Franchises	0	\$0	\$0	0	0	0
303	Land and Land Rights	6,000	\$0	\$0	6,000	0	6,000
304	Structures and Improvements	14,954	\$0	\$0	14,954	14,954	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	4,800	\$0	\$0	4,800	4,800	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	5,909	\$0	\$0	5,909	5,909	0
320	Water Treatment Equipment	505	\$0	\$0	505	505	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	25,644	\$0	\$0	25,644	9,446	16,198
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	17,743	\$0	\$0	17,743	17,447	296
333	Services	3,200	\$0	\$0	3,200	3,200	0
334	Meters and Meter Installations	1,600	\$0	\$0	1,600	1,600	0
335	Hydrants	0	\$0	\$0	0	0	0
336	Backflow Prevention Devices	0	\$0	\$0	0	0	0
339	Other Plant and Misc. Equipment	0	\$0	\$0	0	0	0
340	Office Furniture and Equipment	0	\$0	\$0	0	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	100	\$0	\$0	100	100	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	0	\$0	\$0	0	0	0
	<b>Totals</b>	<b>\$81,205</b>	<b>\$0</b>	<b>\$0</b>	<b>\$81,205</b>	<b>\$57,961</b>	<b>\$23,244</b>

**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.

Pinecrest Water Company, Inc.  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/18

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$750	\$0	\$0	\$750	\$750	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,000	0	0	6,000	6,000	0.00%	0
304	Structures and Improvements	14,954	0	0	14,954	14,954	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	4,800	0	0	4,800	4,800	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0.00%	0
311	Pumping Equipment	5,909	0	0	5,909	5,909	0.00%	0
320	Water Treatment Equipment	505	0	0	505	505	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	25,644	0	0	25,644	0	2.20%	564
330.1	Storage Tanks	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	17,743	0	0	17,743	0	2.00%	355
333	Services	3,200	0	0	3,200	3,200	0.00%	0
334	Meters and Meter Installations	1,600	0	0	1,600	1,600	0.00%	0
335	Hydrants	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	100	0	0	100	100	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	<b>\$81,205</b>	<b>\$0</b>	<b>\$0</b>	<b>\$81,205</b>	<b>\$37,818</b>		<b>\$919</b>

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	2.12%
<b>Amortization of CIAC</b>	<b>\$0</b>

Less: Amortization of CIAC

**DEPRECIATION EXPENSE**

**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.

Pinecrest Water Company, Inc.  
Annual Report  
Balance Sheet Assets  
12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$6,287	\$6,243
134	Working Funds		0	0
135	Temporary Cash Investments		542	0
141	Customer Accounts Receivable		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	<b>Total Current and Accrued Assets</b>		<b>\$6,829</b>	<b>\$6,243</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$81,205	\$81,205
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(57,042)	(57,961)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$24,163</b>	<b>\$23,244</b>
	<b>Total Assets</b>		<b>\$30,992</b>	<b>\$29,487</b>

**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 AR3 UPIS Page 3

Pinecrest Water Company, Inc.  
Annual Report  
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	<b>Total Current Liabilities</b>		<b>\$0</b>	<b>\$0</b>
	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		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$0</b>	<b>\$0</b>
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		30,992	29,487
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$30,992</b>	<b>\$29,487</b>
	<b>Total Liabilities and Capital</b>		<b>\$30,992</b>	<b>\$29,487</b>

**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!

Pinecrest Water Company, Inc.  
Annual Report  
Water Comparative Income Statement  
12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$15,454	\$16,345
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		0
474	Other Water Revenue	62	35
	<b>Total Revenues</b>	<b>\$15,516</b>	<b>\$16,380</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	1,404	1,556
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	3,456	25
620.2	Office Supplies and Expense	1,003	1,709
630	Contractual Services	6,418	6,268
631	Contractual Services -Engineering		
632	Contractual Services - Accounting		
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	320	261
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability	1,616	1,616
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	430	102
403	Depreciation Expense (From Schedule AR4)	919	919
408	Taxes Other Than Income	983	934
408.11	Property Taxes	423	395
409	Income Taxes	50	50
427.1	Customer Security Deposit Interest		
	<b>Total Operating Expenses</b>	<b>\$17,022</b>	<b>\$13,835</b>
	<b>Operating Income / (Loss)</b>	<b>(\$1,506)</b>	<b>\$2,545</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income		\$1
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	<b>\$0</b>	<b>\$1</b>
	<b>Net Income / (Loss)</b>	<b>(\$1,506)</b>	<b>\$2,546</b>

**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.

Pinecrest Water Company, Inc.  
 Annual Report  
 Full time equivalent employees  
 12/31/18

**Full time equivalent employees**

	Direct Company	Outside service	Total
President	1.0	0.0	1.0
Vice-president	1.0	0.0	1.0
Manager	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0
System Operator(s)	0.0	2.0	2.0
Meter reader	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0
Accounting	0.0	0.0	0.0
Business Office	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0
Other	0.0	0.0	0.0
<b>Total</b>	2.0	2.0	4.0

**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.



Pinecrest Water Company, Inc.  
Annual Report  
Supplemental Financial Data (Long-Term Debt)  
12/31/18

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	NONE	NONE	NONE	NONE
Source of Loan	NONE	NONE	NONE	NONE
ACC Decision No.	NONE	NONE	NONE	NONE
Reason for Loan	NONE	NONE	NONE	NONE
Dollar Amt. Issued	NONE	NONE	NONE	NONE
Amount Outstanding	NONE	NONE	NONE	NONE
Date of Maturity	NONE	NONE	NONE	NONE
Interest Rate	NONE	NONE	NONE	NONE
Current Year Interest	NONE	NONE	NONE	NONE
Current Year Principal	NONE	NONE	NONE	NONE

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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***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.***

Pinecrest Water Company, Inc.  
Annual Report  
Well and Water Usage  
12/31/18

[illegible]

Name of system water delivered to:		
ADWR PCC Number:		NONE
Source of water delivered to another system		

Name of system water received from:	
ADWR PCC Number:	NONE
Source of water received	
Well registry 55# (55-XXXXXX):	

Month	Water withdrawn (acre ft) <sup>1</sup>	Water sold (acre ft) <sup>2</sup>	Water delivered (sold) to other systems (acre ft) <sup>3</sup>	Water received (purchased) from other systems (acre ft) <sup>4</sup>	Estimated authorized use (acre ft) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	0	0	0	0	0	\$146	560
February	0	0	0	0	0	134	568
March	0	0	0	0	0	125	480
April	0	0	0	0	0	117	400
May	0	0	0	0	0	124	469
June	0	0	0	0	0	114	366
July	0	0	0	0	0	112	344
August	0	0	0	0	0	113	359
September	0	0	0	0	0	105	280
October	0	0	0	0	0	98	208
November	0	0	0	0	0	106	287
December	0	0	0	0	0	111	357
<b>Totals</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$1,405</b>	<b>4,678</b>

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

0.08 acre feet of estimated authorized use was for flushing main and service lines, cleaning and repairs.

**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.

- 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 breaks, meter inaccuracies and theft.  
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.

### Water Utility Plant Description

Name of the System:	PINECREST WATER CO INC		
ADEQ Public Water System Number:	AZ0401010		
ADWR PCC Number:	91-000005.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
1.00	PVC	2,800
2.00	PVC	2,762
3.00	PVC	1,630
4.00	PVC	4,435
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

SERVICE LINES	
Material	Percent of system
PVC	90%
Other	10%
NA	0%
NA	0%
NA	0%

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	45
0.75	1
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
3	60	1
1.5	50	1
NA	NA	NA
NA	NA	NA

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
15,000	Galvanized Steel	1
0	NONE	0
0	NONE	0
0	NONE	0
0	NONE	0
0	NONE	0

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
80	Fiberglass	3
0	NONE	0
0	NONE	0
0	NONE	0
0	NONE	0
0	NONE	0
0	NONE	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. Copy and paste this sheet as many times as is necessary.

\* 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.

<b>Water Utility Plant Description (Continued)</b>
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**For the following three items, list the utility owned assets in each category for each system.**

<b>TREATMENT EQUIPMENT:</b>	HAND CHLORINATION
<b>STRUCTURES:</b>	8 X 12 PUMPHOUSE
<b>OTHER:</b>	CHAINLINK FENCING @ PUMPHOUSE AND WELLHEAD

**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. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	PINECREST WATER CO INC
ADEQ Public Water System Number:	AZ0401010
ADWR PCC Number:	91-000005.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	46	0	0	0	0
February	46	0	0	0	0
March	46	0	0	0	0
April	46	0	0	0	0
May	46	0	0	0	0
June	46	0	0	0	0
July	46	0	0	0	0
August	46	0	0	0	0
September	46	0	0	0	0
October	46	0	0	0	0
November	46	0	0	0	0
December	46	0	0	0	0

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?

**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. Copy and paste this sheet as many times as is necessary.

Pinecrest Water Company, Inc.  
Annual Report  
Property Taxes  
12/31/18

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2018 was	
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\$423
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If no property taxes paid, explain why.
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PAID
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<b>Instructions:</b> 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.
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Pinecrest Water Company, Inc.  
Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/18

**Verification and Sworn Statement (Taxes)**

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

County of (county name):

Apache

Name (owner or official) title:

Nathan Castillo, President

Company name:

Pinecrest Water Company, Inc.

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

FOR THE YEAR ENDING:

12/31/18

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.

X Nathan Castillo  
signature of owner/official

928-339-4972

telephone no.

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

THIS

12<sup>th</sup>

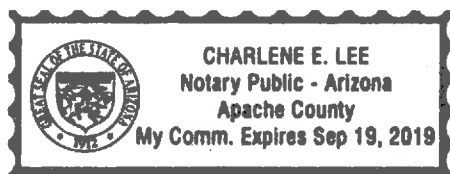
DAY OF

Apache  
(county name)

April 2019  
(month) and (year)

MY COMMISSION EXPIRES

Sept. 19, 2019  
(date)



Charlene E. Lee  
(signature of notary public)



Verification and Sworn Statement

Verification:

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

County of (county name): Apache

Name (owner or official) title: Nathan Castillo, President

Company name: Pinecrest Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$15,454

(The amount in the box above includes

\$983 in sales taxes

billed or collected)

Nathan Castillo  
signature of owner/official

928-339-4972

telephone no.

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

THIS

12<sup>th</sup>

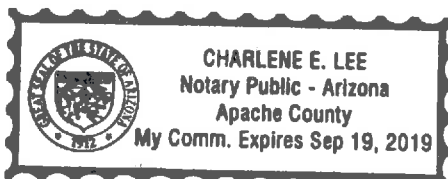
DAY OF

Apache  
(county name)

April 2019  
(month) and (year)

MY COMMISSION EXPIRES

Sept. 19, 2019  
(date)



Charlene E. Lee  
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Apache  
Name (owner or official) title: Nathan Castillo, President  
Company name: Pinecrest Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$15,454  
(The amount in the box above includes  
\$983 in sales taxes  
billed or collected)

Nathan Castillo  
signature of owner/official

928-339-4972  
telephone no.

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

Apache  
(county name)

THIS

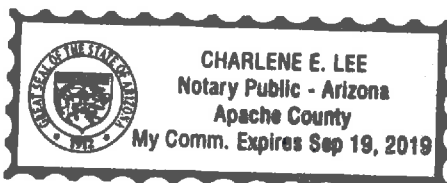
12<sup>th</sup>

DAY OF

April 2019  
(month) and (year)

MY COMMISSION EXPIRES

Sept. 19, 2019  
(date)



Charlene E. Lee  
(signature of notary public)