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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT

Of

Company Name:

Vernon Valley Water, Inc.

PO Box 245

Mailing Address: Taylor AZ
85939

Docket No.: W-20540A
For the Year Ended:

12/31/24

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:

4/16/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Vernon Valley Water, Inc.
A Class Utility

For the Calendar Year Ended: 12/31/24

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:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Vernon Valley Water, Inc.

Important changes during the year
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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	7,060	0	0	7,060	0	7,060
304	Structures and Improvements	608	0	0	608	0	608
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	2,227	0	0	2,227	0	2,227
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	4,704	0	0	4,704	0	4,704
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	698	0	0	698	0	698
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	35,223	0	0	35,223	0	35,223
333	Services	1,367	0	0	1,367	0	1,367
334	Meters and Meter Installations	7,491	0	0	7,491	0	7,491
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	120	0	0	120	0	120
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
	Totals	\$59,498	\$0	\$0	\$59,498	\$0	\$59,498

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	7,060	0	0	7,060	0	7,060	0.00%	0
304	Structures and Improvements	608	0	0	608	0	608	0.00%	0
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	2,227	0	0	2,227	0	2,227	0.00%	0
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	4,704	0	0	4,704	0	4,704	0.00%	0
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	698	0	0	698	0	698	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	35,223	0	0	35,223	0	35,223	0.00%	0
333	Services	1,367	0	0	1,367	0	1,367	0.00%	0
334	Meters and Meter Installations	7,491	0	0	7,491	0	7,491	0.00%	0
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	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	120	0	0	120	0	120	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$59,498	\$0	\$0	\$59,498	\$0	\$59,498		\$0

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$0</u>
Times: Proposed Amortization Rate	
Amortization of CIAC	

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Vernon Valley Water, Inc.
Annual Report
Balance Sheet Assets
12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current and Accrued Assets			
131	Cash		\$2,063	\$2,326
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		1,090	193
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
	Total Current and Accrued Assets		\$3,153	\$2,519
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$59,498	\$59,498
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(22,271)	0
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$37,227	\$59,498
	Total Assets		\$40,381	\$62,017

*Note these items feed automatically from AR3 UPIS Page 4

Vernon Valley Water, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable		\$6,606	\$9,458
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		(162)	(532)
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$6,444	\$8,926
	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
	Total Deferred Credits		\$0	\$0
	Total Liabilites		\$6,444	\$8,926
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		43,142	0
215	Retained Earnings		(3,173)	34,311
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$39,969	\$34,311
	Total Liabilities and Capital		\$46,413	\$43,237

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

Vernon Valley Water, Inc.
Annual Report
Water Comparative Income Statement
12/31/24

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2024 - 12/31/2024	Last Year 01/01/2023 - 12/31/2023
	Operating Revenue		
461	Metered Water Revenue	\$16,281	\$13,519
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	0	0
	Total Revenues	\$16,281	\$13,519
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	1,222	1,367
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	0	121
620.2	Office Supplies and Expense	1,819	703
630	Contractual Services	12,199	13,048
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	2,425	2,451
633	Contractual Services - Legal	1,410	0
634	Contractual Services - Management Fees	8,364	9,450
635	Contractual Services - Water Testing	918	1,960
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	295	292
657	Insurance - General Liability	68	133
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	2,352	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	0	12
403	Depreciation Expense (From Schedule AR4)		1,590
408	Taxes Other Than Income	83	83
408.11	Property Taxes	83	83
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$31,235	\$31,294
	Operating Income / (Loss)	(\$14,954)	(\$17,775)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	26	0
	Total Other Income / (Expense)	\$26	\$0
	Net Income / (Loss)	(\$14,928)	(\$17,775)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.5	0.0	0.0	0.5
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)	0.0	0.0	0.5	0.5
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.2	0.2
Accounting	0.0	0.0	0.2	0.2
Business Office	0.0	0.0	0.0	0.0
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	0.5	0.0	0.9	1.4

Vernon Valley Water, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/24

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:	\$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.

[illegible]

Name of system water delivered to:	NA		
ADWR PCC Number:	NA		
Source of water delivered to another system	NA		

Name of system water received from:	NA	
ADWR PCC Number:		NA
Source of water received	NA	
Well registry 55# (55-XXXXXX):	na	

Month	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 Expense6	Purchased Power (kWh)7
January	47,881.00	42,010.00	0.00	0.00	0.00	\$149	1,046
February	43,481.00	37,610.00	0.00	0.00	0.00	170	1,247
March	34,281.00	30,180.00	0.00	0.00	0.00	144	998
April	99,315.00	87,370.00	0.00	0.00	0.00	137	927
May	88,213.00	78,450.00	0.00	0.00	0.00	101	584
June	145,213.00	127,590.00	0.00	0.00	0.00	57	166
July	128,523.00	113,150.00	0.00	0.00	0.00	57	166
August	134,689.00	113,260.00	0.00	0.00	0.00	58	174
September	95,885.00	83,341.00	0.00	0.00	0.00	51	107
October	103,954.00	87,700.00	0.00	0.00	0.00	51	104
November	76,637.00	66,280.00	0.00	0.00	0.00	89	522
December	63,803.00	57,020.00	0.00	0.00	0.00	158	1,259
Totals	1,061,875.00	923,961.00	0.00	0.00	0.00	\$1,221	7,300

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

- | |
|---|
| 1 Water withdrawn - Total gallons of water withdrawn from pumped sources. |
| 2 Water sold - Total gallons from customer meters, and other sales such as construction water. |
| 3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems. |
| 4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems. |
| 5 Estimated authorized use - Total estimated gallons 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:	VERNON VALLEY WATER CO		
ADEQ Public Water System Number:	AZ0401054		
ADWR PCC Number:	91-000020.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	660
4.00	PVC	2,880
6.00	PVC	1,495
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	90%	0	
HDPE	10%	0	
NA	NA	NA	
NA	NA	NA	
NA	NA	NA	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
2	50	2
NA	NA	NA
NA	NA	NA
NA	NA	NA

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	METAL	1	0
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	18	40%	98%
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
120	METAL	1	0
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
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)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	NONE
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STRUCTURES:	8X12 BUILDING
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OTHER:	NONE
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Customer and Other Information		
Name of the System:	VERNON VALLEY WATER CO	
ADEQ Public Water System Number:	AZ0401054	
ADWR PCC Number:	91-000020.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	18	0	0	0	0
February	18	0	0	0	0
March	18	0	0	0	0
April	18	0	0	0	0
May	18	0	0	0	0
June	18	0	0	0	0
July	18	0	0	0	0
August	18	0	0	0	0
September	18	0	0	0	0
October	18	0	0	0	0
November	18	0	0	0	0
December	18	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?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

NA

Vernon Valley Water, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/24

Utility Shutoffs / Disconnects	
Name of the System:	VERNON VALLEY WATER CO
ADEQ Public Water System Number:	AZ0401054
ADWR PCC Number:	91-000020.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

NA

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	
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Amount of actual property taxes paid during Calendar Year 2024 was
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\$83

If no property taxes paid, explain why.

na

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 I, the undersigned of the
(state name)

County of (county name): Apache
Name (owner or official) title: Lacey Merritt
Company name: Vernon Valley Water, Inc.

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

FOR THE YEAR ENDING: 12/31/24

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.

Lacey Merritt
signature of owner/official

520-624-1460
telephone no.



Rose S Chacon
Pima County
12/18/26