

# ANNUAL REPORT

Of

Company Name:

Pine Meadows Utilities, LLC  
7581 E. Academy Blvd., Ste. 229

Mailing Address:

Denver CO  
80230

Docket No.:

SW-03962A

For the Year Ended:

12/31/16

RECEIVED

APR 10 2017

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

## WASTEWATER UTILITY

To

Arizona Corporation Commission

### Due on April 15th

Email: [rdefafuente@azcc.gov](mailto:rdefafuente@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:

2016

4-11-17

ARIZONA CORPORATION COMMISSION  
WASTEWATER UTILITY ANNUAL REPORT  
Pine Meadows Utilities, LLC  
A Class  Utility

1. For the Calendar Year Ended:

2. Address:   
City:  State:  Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

Name:   
Telephone No. :   
Address:   
City:  State:  Zip Code:   
Email:

6. On-Site Manager:

Name:   
Telephone No. :   
Address:   
City:  State:  Zip Code:   
Email:

7. Ownership:

8. Counties Served:

Utility Plant in Service (Wastewater)				
Account No.	Description	Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization	\$3,329	\$2,081	\$1,248
352	Franchises			0
353	Land and Land Rights			0
354	Structures and Improvements	27,290	13,698	13,593
355	Power Generation Equipment	90,000	67,500	22,500
360	Collections Wastewater - Force	109,550	108,903	647
361	Collections Wastewater - Gravity	205,528	42,335	163,193
362	Special Collecting Structures			0
363	Services to Customers	50,000	24,000	26,000
364	Flow Measuring Devices			0
365	Flow Measuring Installations			0
367	Reuse Meters & Meter Installations			0
370	Receiving Wells	96,000	57,571	38,429
371	Pumping Equipment			0
374	Reuse Distribution Reservoirs			0
375	Reuse Trans. And Distr. Equipment			0
380	Treatment and Disposal Equipment	338,541	238,159	100,382
381	Plant Sewers			0
382	Outfall Sewer Lines			0
389	Other Plant and Misc. Equipment	7,537	5,657	1,880
390	Office Furniture and Equipment	130	94	36
390.1	Computer & Software			0
391	Transportation Equipment			0
393	Tools, Shop and Garage Equipment			0
394	Laboratory Equipment	2,586	2,462	124
395	Power Operated Equipment			0
396	Communication Equipment			0
397	Miscellaneous Equipment			0
398	Other Tangible Plant	101	48	53
	<b>Totals</b>	<b>\$930,592</b>	<b>\$562,507</b>	<b>\$368,085</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.

Pine Meadows Utilities, LLC  
 Annual Report  
 Depreciation Expense for the Current Year (Wastewater)  
 12/31/16

Depreciation Expense for the Current Year (Wastewater)								
Account No.	Description	Original Cost	Current Year Additions	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$3,329		\$3,329		\$3,329	5.00%	\$166
352	Franchises	0		0		0		0
353	Land and Land Rights	0		0		0		0
354	Structures and Improvements	27,290		27,290		27,290	3.33%	909
355	Power Generation Equipment	90,000	0	90,000		90,000	5.00%	4,500
360	Collections Wastewater - Force	109,550		109,550		109,550	3.41%	3,736
361	Collections Wastewater - Gravity	205,528		205,528		205,528	1.25%	2,566
362	Special Collecting Structures	0		0		0		0
363	Services to Customers	50,000		50,000		50,000	2.00%	1,000
364	Flow Measuring Devices	0		0		0		0
365	Flow Measuring Installations	0		0		0		0
367	Reuse Meters & Meter Installations	0		0		0		0
370	Receiving Wells	96,000		96,000		96,000	3.33%	3,197
371	Pumping Equipment	0		0		0		0
374	Reuse Distribution Reservoirs	0		0		0		0
375	Reuse Trans. And Distr. Equipment	0		0		0		0
380	Treatment and Disposal Equipment	338,541		338,541		338,541	4.99%	16,905
381	Plant Sewers	0		0		0		0
382	Outfall Sewer Lines	0		0		0		0
389	Other Plant and Misc. Equipment	7,537		7,537		7,537	6.46%	487
390	Office Furniture and Equipment	130		130		130	7.00%	9
390.1	Computer & Software	0		0		0		0
391	Transportation Equipment	0		0		0		0
393	Tools, Shop and Garage Equipment	0		0		0		0
394	Laboratory Equipment	2,586		2,586		2,586	9.98%	258
395	Power Operated Equipment	0		0		0		0
396	Communication Equipment	0		0		0		0
397	Miscellaneous Equipment	0		0		0		0
398	Other Tangible Plant	101		101		101	5.00%	5
	<b>Subtotal</b>	<b>\$930,592</b>	<b>\$0</b>	<b>\$930,592</b>	<b>\$0</b>	<b>\$930,592</b>		<b>\$33,737</b>

Contribution(s) in Aid of Construction (Gross)	\$868,312
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$868,312
Times: Proposed Amortization Rate	3.63%
<b>Amortization of CIAC</b>	<b>\$31,479</b>

Less: Amortization of CIAC 31479.4235

**DEPRECIATION EXPENSE** **\$2,258**

**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  
 Balance Sheet Assets  
 12/31/16

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$1,192	\$4,782
132	Special Deposits			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		1,023	3,811
142	Other Accounts Receivable			
143	Accumulated Provision for Uncollectable Accounts			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments		198	198
173	Accrued Utility Revenue			
174	Miscellaneous Current and Accrued Assets		786	786
	<b>Total Current and Accrued Assets</b>		<b>\$3,199</b>	<b>\$9,577</b>
	<b>Deferred Debits</b>			
186.1	Deferred Rate Case Expense			
	<b>Total Deferred Debits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$929,210	\$930,592
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(528,770)	(562,507)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$400,440</b>	<b>\$368,085</b>
	<b>Total Assets</b>		<b>\$403,639</b>	<b>\$377,662</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 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 (2016)	Balance at End of Year (2016)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$205,687	\$223,326
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		1,596	1,664
236	Accrued Taxes			
237	Accrued Interest			
241	Miscellaneous Current and Accrued Liabilities			
253	Other Deferred Credits			
	<b>Total Current Liabilities</b>		<b>\$207,283</b>	<b>\$224,990</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)			
	<b>Total Long Term Debt</b>		<b>\$0</b>	<b>\$0</b>
	<b>Deferred Credits</b>			
252	Advances in Aid of Construction		868,312	868,312
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction			
272	Less: Amortization of Contributions		(436,632)	(468,111)
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$431,680</b>	<b>\$400,201</b>
	<b>Total Liabilities</b>		<b>\$638,963</b>	<b>\$625,191</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued			
211	Other Paid-In Capital		(203,062)	(223,624)
215	Retained Earnings		(32,262)	(23,905)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>(\$235,324)</b>	<b>(\$247,529)</b>
	<b>Total Liabilities and Capital</b>		<b>\$403,639</b>	<b>\$377,662</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!

Pine Meadows Utilities, LLC  
Annual Report  
Wastewater Comparative Income Statement  
12/31/16

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2016 - 12/31/2016	Last Year 01/01/2015 - 12/31/2015
	<b>Operating Revenue</b>		
521	Flat Rate Revenues	\$57,886	\$59,103
522	Measured Revenues		
534	Rents from Wastewater Property		
539	Other Wastewater Revenues	1,490	1,490
	<b>Total Revenues</b>	<b>\$59,376</b>	<b>\$60,593</b>
	<b>Operating Expenses</b>		
701	Salaries and Wages		
704	Employee Pensions and Benefits		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	7,188	7,245
715	Purchased Power	13,710	13,860
716	Fuel for Power Production		
718	Chemicals	8,296	10,252
720	Materials and Supplies	1,813	1,266
721	Office Expense		
731	Contractual Services -Engineering		
732	Contractual Services - A ccounting	900	900
733	Contractual Services - Legal	85	0
734	Contractual Services - Management Fees	21,485	34,213
735	Contractual Services - Testing	8,823	9,353
736	Contractual Services - Other	8,102	0
740	Rents - Building		
742	Rents - Equipment		
750	Transportation Expenses	3,273	1,912
757	Insurance - General Liability	324	416
758	Insurance - Worker's Compensation		
759	Insurance - Other		
760	Advertising Expense		
766	Regulatory Commission Expense - Rate Case		
767	Regulatory Commission Expense - Other	0	3,192
770	Bad Debt Expense	955	1,996
775	Miscellaneous Expense	3,057	3,011
403	Depreciation Expense (From Schedule A R4)	2,258	2,208
408	Taxes Other Than Income		
408.11	Property Taxes	3,114	3,181
408.12	Payroll Taxes		
409	Income Taxes		
	<b>Total Operating Expenses</b>	<b>\$83,381</b>	<b>\$93,005</b>
	<b>Operating Income / (Loss)</b>	<b>(\$24,005)</b>	<b>(\$32,412)</b>
	<b>Other Income / (Expense)</b>		
414	Gain (Loss) on Dispositions		
419	Interest and Dividend Income		
421	Non-Utility Income	100	150
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	<b>\$100</b>	<b>\$150</b>
	<b>Net Income / (Loss)</b>	<b>(\$23,905)</b>	<b>(\$32,262)</b>

**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.

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:

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.***



**Wastewater Utility Plant Description**

<u>Name of System:</u>	Houston Creek Landing WWTP
<u>Wastewater Inventory Number (if applicable):</u>	103676
<u>Type of Treatment</u>	Other
<u>Design Capacity of Plant (Gallons per day)</u>	37,000

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
32.5 Highline Drive, Star	2	10	50	2,070

FORCE MAINS		
Size	Material	Length (Feet)
2-inch	PVC	1,411
4-inch	PVC	5,304

MANHOLES	
Type	Quantity
Standard	42
Drop	

CLEANOUTS	
	Quantity
	1

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

**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.

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4			4	PVC	125
6	PVC	1,637	6		
8	PVC	4,941	8		
10			12		
12			15		
15					
18					
21					
24					
30					

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

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	One aerated sludge holding tank/digester
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	One chlorine contact tank with tablet feed system
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	One stick-build on-site operations/equipment control building with concrete loading dock. Perimeter chain link fence.
<b>Other</b> (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Laboratory/process control testing equipment. 50kw standby generator.

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

**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.

Pine Meadows Utilities, LLC  
 Annual Report  
 Wastewater Flows  
 12/31/16

Wastewater Flows			
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day
January	118	310,000	16,000
February	118	293,500	17,000
March	118	330,000	16,000
April	116	306,000	17,000
May	116	412,000	13,000
June	115	334,000	20,000
July	118	374,000	12,000
August	113	349,000	11,000
September	114	318,000	11,000
October	113	319,300	18,000
November	115	329,000	16,000
December	116	314,000	19,000
	<b>Totals</b>	<b>3,988,800</b>	<b>186,000</b>

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)?	

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

Pine Meadows Utilities, LLC  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/16

Name of System:	Houston Creek Landing WWTP
Wastewater Inventory Number (if applicable):	103676

Utility Shutoffs / Disconnects			
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			
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

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.

<b>Property Taxes</b>	
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Amount of actual property taxes paid during Calendar Year 2015 was	\$3,114
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If no property taxes paid, explain why.

<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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Pine Meadows Utilities, LLC  
Annual Report  
Verification and Statement (Taxes)  
12/31/16

RECEIVED

APR 10 2017

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and 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  
Company name: Pine Meadows Util.

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

FOR THE YEAR ENDING: 12/31/16

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

6th

DAY OF

Denver

(county name)

April 2017

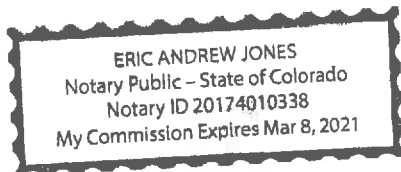
(month) and (year)

MY COMMISSION EXPIRES

3/8/2021

(date)

(signature of notary public)



**Verification and Statement**

**RECEIVED**

**Verification:**

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

County of (county name): Denver  
Name (owner or official) title: Jason Williamson  
Company name: Pine Meadows Util.

ARIZONA  
UTILITIES DIVISION  
CORP COMMISSION  
ON - DIRECTOR'S OFFICE

APR 10 2017

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

FOR THE YEAR ENDING: 12/31/16

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 (\$)  
59376  
(The amount in the box above includes  
   in sales taxes  
billed or collected)

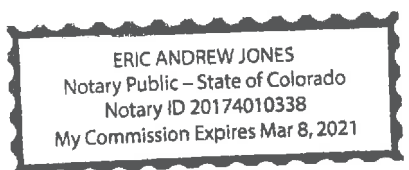
*Jason Williamson*  
\_\_\_\_\_  
signature of owner/official

720-949-1384  
\_\_\_\_\_  
telephone no.

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

THIS 6th DAY OF April  
\_\_\_\_\_  
(month) and (year)

MY COMMISSION EXPIRES 3/8/2021  
\_\_\_\_\_  
(date)



*[Signature]*  
\_\_\_\_\_  
(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

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

County of (county name):

Denver  
Name (owner or official) title: Jason Williamson

Company name:

Pine Meadows Utilities, LLC

RECEIVED  
APR 10 2017  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/16

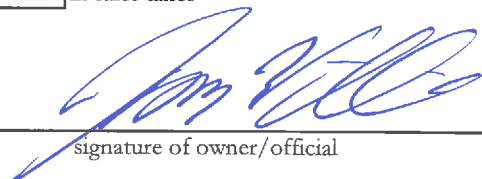
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND 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 (\$)

59,376

(The amount in the box above includes  
in sales taxes  
billed or collected)

  
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

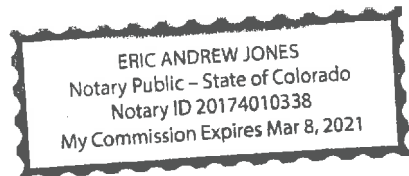
6th

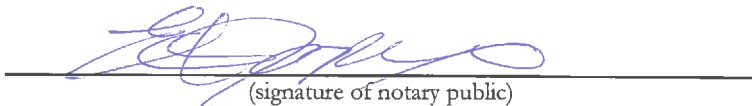
DAY OF

April 2017  
(month) and (year)

MY COMMISSION EXPIRES

3/8/2021  
(date)



  
(signature of notary public)