

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01431A

Valle Verde Water Company
PO Box 85160
Tucson, AZ 85754

RECEIVED
APR 17 2015
AZ CORP COMM
Director - Utilities

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT

Water

FOR YEAR ENDING

12 31 2014

FOR COMMISSION USE

ANN 04 14

4-30-15

Personal Representative of the Estate of William Randall:

Beverly Salgado

(Name)

7701 S. Falster Avenue

Tucson

AZ

85747

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney:

William Wissler

(Name)

3180 E Grant Rd

Tucson

AZ

85716

(Street)

(City)

(State)

(Zip)

(520) 747-8001

(520) 326-9097

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

Sole Proprietor (S)

C Corporation (C) (Other than Association/Co-op)

Partnership (P)

Subchapter S Corporation (Z)

Bankruptcy (B)

Association/Co-op (A)

Receivership (R)

Limited Liability Company

Other (Describe) Estate

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

APACHE

COCHISE

COCONINO

GILA

GRAHAM

GREENLEE

LA PAZ

MARICOPA

MOHAVE

NAVAJO

PIMA

PINAL

SANTA CRUZ

YAVAPAI

YUMA

STATEWIDE

COMPANY NAME: Valle Verde Water Company

UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$ -	\$ -	\$ -
302	Franchises	125	125	-
303	Land & Land Rights	86,093		86,093
304	Structures & Improvements	510,517	407,027	103,490
307	Wells & Springs	606,177	249,745	356,432
311	Pumping Equipment	403,911	337,996	65,914
320	Water Treatment Equipment			-
320.1	Water Treatment Plants	494,917	45,463	449,454
320.2	Solution Chemical Feeders	345	345	-
330	Distribution Reservoirs and Standpipes			-
330.1	Storage Tanks	602,315	244,931	357,384
330.2	Pressure Tanks	80,630	37,963	42,667
331	Transmission and Distribution Mains	1,235,064	564,113	670,952
333	Services	79,300	56,655	22,644
334	Meters and Meter Installations	119,126	97,675	21,452
335	Hydrants	36,714	35,092	1,622
336	Backflow Prevention Devices			-
339	Other Plant and Misc. Equipment			-
340	Office Furniture and Equipment	16,552	16,552	-
340.1	Computers & Software			-
341	Transportation Equipment	16,881	16,681	200
343	Tools, Shop and Garage Equipment	12,063	12,063	-
344	Laboratory Equipment			-
345	Power Operated Equipment	44,869	33,868	11,001
346	Communications Equipment	4,668	117	4,551
347	Miscellaneous Equipment			-
348	Other Tangible Plant	139,758	96,891	42,867
	TOTALS	\$ 4,490,026	\$ 2,253,302	\$ 2,236,723

Total Accumulated Depreciation amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: Valle Verde Water Company

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 X 2)
301	Organization	\$ -		\$ -
302	Franchises	125		-
303	Land & Land Rights	86,093	N/A	-
304	Structures & Improvements	510,517	3.33%	17,000
307	Wells & Springs	606,177	3.33%	20,186
311	Pumping Equipment	403,911	12.50%	13,879
320	Water Treatment Equipment	-	20.00%	-
320.1	Water Treatment Plants	494,917	3.33%	16,330
320.2	Solution Chemical Feeders	345	20.00%	23
330	Distribution Reservoirs and Standpipes	-	2.22%	-
330.1	Storage Tanks	602,315	2.22%	13,371
330.2	Pressure Tanks	80,630	5.00%	4,032
331	Transmission and Distribution Mains	1,235,064	2.00%	24,701
333	Services	79,300	3.33%	939
334	Meters and Meter Installations	119,126	8.33%	1,675
335	Hydrants	36,714	2.00%	472
336	Backflow Prevention Devices	-	6.67%	-
339	Other Plant and Misc. Equipment	-	6.67%	-
340	Office Furniture and Equipment	16,552	6.67%	-
340.1	Computers & Software	-	33.33%	-
341	Transportation Equipment	16,881	20.00%	400
343	Tools, Shop and Garage Equipment	12,063	5.00%	584
344	Laboratory Equipment	-	10.00%	-
345	Power Operated Equipment	44,869	5.00%	2,243
346	Communications Equipment	4,668	5.00%	118
347	Miscellaneous Equipment	-	10.00%	-
348	Other Tangible Plant	139,758	10.00%	13,976
	SUBTOTAL	4,490,026		129,929
	LESS CIAC Amortization			(103,584)
	TOTALS *	\$ 4,490,026		\$ 26,345

* This amount goes on the Comparative Statement of Income and Expense Acct. No. 403

Company Name: Valle Verde Water Company

WATER UTILITY BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 33,958	\$ 32,683
134	Working Funds		
135	Temporary Cash Investments	37,603	56,404
141	Customer Accounts Receivable	39,116	13,483
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 110,677	\$ 102,570
	FIXED ASSETS		
101	Utility Plant in Service	\$ 4,510,735	\$ 4,490,026
103	Property Held for Future Use		10,000
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(2,121,902)	(2,253,302)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 2,388,833	\$ 2,246,723
	TOTAL ASSETS	\$ 2,499,510	\$ 2,349,293

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

Company Name: Valle Verde Water Company

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 212,834	\$ 84,109
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	25,303	30,233
236	Accrued Taxes	6,585	7,035
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		79,392
	TOTAL CURRENT LIABILITIES	\$ 244,722	\$ 200,769
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 819,790	\$ 786,577
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 368,409	\$ 367,641
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	2,328,602	2,328,602
272	Less: Amortization of contributions	(318,882)	(422,467)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 2,378,129	\$ 2,273,776
	TOTAL LIABILITIES	\$ 3,442,641	\$ 3,261,122
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ -	\$ -
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(943,131)	(911,829)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (943,131)	\$ (911,829)
	TOTAL LIABILITIES AND CAPITAL	\$ 2,499,510	\$ 2,349,293

Company Name: Valle Verde Water Company

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 411,103	\$ 502,984
461.1	Surcharge Revenue	30,297	39,366
474	Other Water Revenues	15,458	20,659
	TOTAL REVENUES	\$ 456,858	\$ 563,009
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 101,032	\$ 100,623
610	Purchased Water		
615	Purchased Power	38,473	39,638
618	Chemicals	2,950	3,434
620	Repairs and Maintenance	24,646	34,594
621	Office Supplies & Expense	38,798	15,071
630	Outside Services	126,185	136,745
635	Water Testing	6,756	13,171
641	Rents		
650	Transportation Expenses	19,849	7,573
657	Insurance - General Liability	16,305	11,755
659	Insurance - Health and Life		
666	Regulatory Expenses - Rate Case Expense	6,655	16,552
675	Miscellaneous Expense	2,900	24,720
403	Depreciation Expense	48,783	26,345
408	Taxes Other Than Income	9,360	9,873
408.11	Property Taxes	19,634	22,300
409	Income Tax		
427.2	Customer Security Deposit Interest	632	541
	TOTAL OPERATING EXPENSES	\$ 462,958	\$ 462,935
	OPERATING INCOME/(LOSS)	\$ (6,100)	\$ 100,074
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ -	\$ 286
421	Other Income	130	95
427	Interest Expense	(6,562)	(31,684)
434	Extraordinary Deductions		(37,470)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (6,432)	\$ (68,773)
	NET INCOME/(LOSS)	\$ (12,532)	\$ 31,301

Company Name: Valle Verde Water Company

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	6/24/2011			
Source of Loan	WIFA			
ACC Decision No.	71899			
Reason for Loan	Improvements & upgrades			
Dollar Amount Issued	\$ 1,063,478	\$ -	\$ -	\$ -
Amount Outstanding	\$ 786,577	\$ -	\$ -	\$ -
Date of Maturity	6/1/2031			
Interest Rate	0.9375%	%	%	%
Current Year Interest	\$ 31,684	\$ -	\$ -	\$ -
Current Year Principal	\$ 22,314	\$ -	\$ -	\$ -

Meter Deposit Balance at Test Year End \$ 3,214

Meter Deposits Refunded During the Test Year \$ 217

Company Name: Valle Verde Water Company		
Name of System:	ADEQ Public Water System Numbers:	12-009, 12-025

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-617053 (well #1)	Not in use		105	12	4	1954
55-617054 (well #2)	30	350	260	16	6	1972
55-617055 (well #3)	15	130	220	12	3	1971
55-513789 (well #4)	Not in use		203	12	3	1987
55-500951 (well #5)	50	350	400	16	6	1982
55-502001 (well #6)	Not in use		450	16	6	1996
55-801847 (well #7)	Not in use		93	10	4	1933
55-582348 (well #10)	30	450	290	12	6	2001

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS	
Horsepower	Quantity
15.0	1
7.5	1
25.0 (Site 6)	2
40.0 (Site 6)	1
100.0 (Site 6)	2

FIRE HYDRANTS	
Quantity Standard	Quantity Other
13	

STORAGE TANKS	
190,000 (Well 2)	1
800,000 (Site 6)	1
200,000 (Well 10)	1

PRESSURE TANKS	
Capacity	Quantity
2,000 (Well 4)	1
3,000 (Old Well 3)	1
5,000 (Well 10)	1
7,000 (Well 3)	1
10,000 (Wells 2, 5 & 6)	3

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

Company Name: Valle Verde Water Company

Name of System: ADEQ Public Water System Numbers: 12-009, 12-025

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	4,361
3		
4	PVC	39,713
5		
6	PVC	12,906
6	DIP	477
8		10,372
12	PVC	1,770

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	388
3/4	416
1	47
1 1/2	3
2	20
Comp. 3	7
Turbo 3	
Comp. 4	1
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

4 Chlorinators

GAC System

STRUCTURES:

Office - 12' x 12'

Chlorinator room - 3' x 5'

OTHER:

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

Company Name: Valle Verde Water Company
 Name of System: ADEQ Public Water System Numbers: 12-009, 12-025

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)*	GALLONS PURCHASED (Thousands)
JANUARY	768	5,547	7,297	-
FEBRUARY	769	5,374	6,542	-
MARCH	769	5,981	7,459	-
APRIL	769	5,378	7,986	-
MAY	780	7,375	8,718	-
JUNE	781	8,049	6,338	-
JULY	773	9,871	11,406	-
AUGUST	772	7,587	8,998	-
SEPTEMBER	776	6,196	7,175	-
OCTOBER	778	4,857	5,829	-
NOVEMBER	774	5,988	6,760	-
DECEMBER	786	5,209	6,231	-
TOTALS		77,412	90,739	-

* Valle Verde experienced several problems with well meters and tanks during 2014.

What is the level of arsenic for each well on your system? 0.003 thru 0.008 mg/l
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for hours

If system has chlorination treatment, does this treatment system chlorinate continuously?
 YES NO N/A

Is the water utility located in an ADWR Active Management Area (AMA)?
 YES NO

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 YES NO

If Yes, please provide the GPCPD amount: _____

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

Company Name: Valle Verde Water Company

Name of System:

ADEQ Public Water System Numbers: 12-009, 12-025

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	-	32	-
FEBRUARY	-	22	-
MARCH	-	15	-
APRIL	-	25	-
MAY	-	18	-
JUNE	-	29	-
JULY	-	42	-
AUGUST	-	38	-
SEPTEMBER	-	34	-
OCTOBER	-	48	-
NOVEMBER	-	37	-
DECEMBER	-	44	-
TOTALS	-	384	-

OTHER (description):

COMPANY NAME Valle Verde Water Company

YEAR ENDING 12/31/14

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2014 was: \$ 22,300

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 17 2015

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	ACC UTILITIES DIRECTOR
SANTA CRUZ	
NAME (OWNER OR OFFICIAL) TITLE	
Bonnie O'Connor, Manager	
COMPANY NAME	
Valle Verde Water Company	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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.

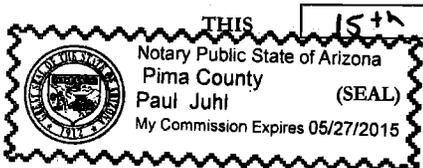

SIGNATURE OF OWNER OR OFFICIAL

520-624-1460
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	Pima
MONTH/YEAR	April, 2015



DAY OF


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

5/27/2015

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

APR 17 2015

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	SANTA CRUZ
NAME (OWNER OR OFFICIAL) TITLE	Bonnie O'Connor, Manager
COMPANY NAME	Valle Verde Water Company

ACC UTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 REQUIREMENT 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 CALENDAR YEAR 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 603,831

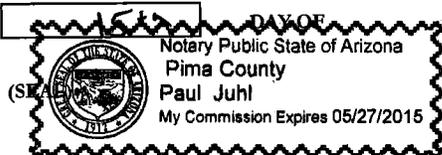
(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 40,822
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

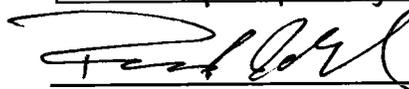

SIGNATURE OF OWNER OR OFFICIAL

520-624-1460
TELEPHONE NUMBER

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



COUNTY NAME	Pima
MONTH/YEAR	April, 2015


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/27/2015

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED
APR 17 2015
ACC UTILITIES DIRECTOR

VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) SANTA CRUZ	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Valle Verde Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 40-401.01, 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 CALENDAR YEAR 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 378,466
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 25,405
IN SALES TAXES BILLED, OR COLLECTED

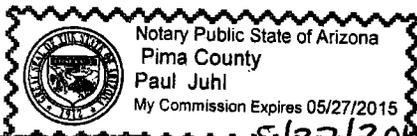
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Bonnie O'Connor
SIGNATURE OF OWNER OR OFFICIAL

520-624-1460
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 15th DAY OF

NOTARY PUBLIC NAME Paul Juhl
COUNTY NAME Pima
MONTH/YEAR April, 2015

(SEAL) 
MY COMMISSION EXPIRES 5/27/2015

Paul Juhl
SIGNATURE OF NOTARY PUBLIC