ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION
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DIVISION OF UTILITIES

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

M

W-01877A
MOUNTAIN DELL WATER, INC.
1341 W. PALMER AVE.
FLAGSTAFF AZ 86001-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001

FOR COMMISSION USE

ANN04	01

Processed by:
4-5-02 C m

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Mountain Dell Water, Inc.

Mailing Address 1341 Palmer
(Street)

Flagstaff (City) Arizona (State) 86001 (Zip)

928 7749550
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

Local Office Mailing Address 1492 Palmer
(Street)

Flagstaff (City) Arizona (State) 86001 (Zip)

Same
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: Peter Reznick (Name) President (Title)

1500 Palmer (Street) Flagstaff (City) Arizona (State) 86001 (Zip)

928 774-7805
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address Peterreznick@MSN.com

On Site Manager: Nick Reznick
(Name)

1525 PALMER (Street) Flagstaff (City) Arizona (State) 86001 (Zip)

928 2130501
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

Statutory Agent: Peter Reznick
(Name)

1500 Palmer (Street) Flagstaff (City) Arizona (State) 86001 (Zip)

928 774-7805
Telephone No. (Include Area Code) Fax No. (Include Area Code Pager/Cell No. (Include Area Code)

Attorney: N/A
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☐ **Partnership (P)**
- ☐ **Bankruptcy (B)**
- ☐ **Receivership (R)**
- ☐ **Other (Describe)**_____
- ☐ **C Corporation (C) (Other than Association/Co-op)**
- ☒ **Subchapter S Corporation (Z)**
- ☐ **Association/Co op (A)**
- ☐ **Limited Liability Company**

COUNTIES SERVED

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

- ☐ **APACHE**
- ☐ **GILA**
- ☐ **LA PAZ**
- ☐ **NAVAJO**
- ☐ **SANTA CRUZ**
- ☐ **STATEWIDE**
- ☐ **COCHISE**
- ☐ **GRAHAM**
- ☐ **MARICOPA**
- ☐ **PIMA**
- ☐ **YAVAPAI**
- ☒ **COCONINO**
- ☐ **GREENLEE**
- ☐ **MOHAVE**
- ☐ **PINAL**
- ☐ **YUMA**

COMPANY NAME Mountain Dell Water, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	15000	15177	0
304	Structures and Improvements	1000	926	74
307	Wells and Springs	14000		
311	Pumping Equipment	17877	16878	999
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	10897	9079	1425
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	1000		0
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	48260	48260	0
340	Office Furniture and Equipment			
341	Transportation Equipment	5000	5000	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	16558	983	398
346	Communication Equipment			
347	Miscellaneous Equipment	2000	1600	0
348	Other Tangible Plant	2971	2971	0
	TOTALS	134563	100874	2896

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME	Mountain Dell Water, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			0
302	Franchises			
303	Land and Land Rights	15000		0
304	Structures and Improvements	1000	18yr	50
307	Wells and Springs	14000		
311	Pumping Equipment	17877	15yr	286
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	10897	5yr/7yr	801
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	1000		0
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	48260		0
340	Office Furniture and Equipment			
341	Transportation Equipment	5000	5yr	288
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	16558	5yr	265
346	Communication Equipment			
347	Miscellaneous Equipment	2000		0
348	Other Tangible Plant	2971	5yr	171
	TOTALS	134563		1861

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

COMPANY NAME	Mountain Dell Water, Inc.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 18367	$ 21002
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	$ 18367	$ 21002
	FIXED ASSETS		
101	Utility Plant in Service	$ 134563	$ 134563
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	100439	100874
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ 34124	$ 33689
	TOTAL ASSETS	$ 52491	$ 54691

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

COMPANY NAME	Mountain Dell Water, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$	$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	735	840
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	0	
	TOTAL CURRENT LIABILITIES	$ 735	$ 840
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$ 0	$ 0
	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	$	$
	TOTAL LIABILITIES	$ 735	$ 840
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$ 22000	$ 22000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	29756	31851
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	$ 51756	$ 53851
	TOTAL LIABILITIES AND CAPITAL	$ 52491	$ 54691

COMPANY NAME	Mountain Dell Water, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 42663	$ 41817
460	Unmetered Water Revenue		
474	Other Water Revenues	682	630
	TOTAL REVENUES	$ 43345	$ 42447
	OPERATING EXPENSES		
601	Salaries and Wages	$ 10000	$ 10000
610	Purchased Water		
615	Purchased Power	7298	7680
618	Chemicals		
620	Repairs and Maintenance	3888	1364
621	Office Supplies and Expense	752	4571
630	Outside Services	288	1396
635	Water Testing	671	885
641	Rents	5400	5400
650	Transportation Expenses		
657	Insurance – General Liability	2971	2271
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1266	1138
403	Depreciation Expense	3148	1861
408	Taxes Other Than Income	4290	4163
408.11	Property Taxes	1506	1416
409	Income Tax		
	TOTAL OPERATING EXPENSES	$ 41478	$ 42145
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	$ 615	$ 367
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	$ 615	$ 367
	NET INCOME/(LOSS)	$ 2482	$ 669

COMPANY NAME	Mountain Dell Water, Inc.

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		n/a		
Dollar Amount Issued	$	$	$	$
Amount Outstanding	$	$	$	$
Date of Maturity				
Interest Rate				
Current Year Interest	$	$	$	$
Current Year Principle	$	$	$	$

Meter Deposit Balance at Test Year End $ 840

Meter Deposits Refunded During the Test Year $ 292

COMPANY NAME	Mountain Bell Water, Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-802024	15	17	10	2"
55-802025	15	17	10	2"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
n/a		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 6205

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1		
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10 000	4	2000	1

STATISTICAL INFORMATION

Total number of customers 86

Total number of gallons sold 6,204,860 gallons

COMPANY NAME Mountain Dell Water, Inc **YEAR ENDING 12/31/2001**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	668
Estimated or Actual Federal Tax Liability	Ø
State Taxable Income Reported	668
Estimated or Actual State Tax Liability	Ø
Amount of Grossed-Up Contributions/Advances:	Ø
Amount of Contributions/Advances	Ø
Amount of Gross-Up Tax Collected	Ø
Total Grossed-Up Contributions/Advances	Ø

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE	3/28/02 **DATE**
PETER REZNICK **PRINTED NAME**	President **TITLE**

COMPANY NAME Mountain Dell Water, Inc. YEAR ENDING 12/31/2001

WATER AND SEWER UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

$ 1416

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 reasons below:

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

ARIZONA CORPORATION COMMISSION
RECEIVED
APR 05 2002
Director of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Coconino
NAME (OWNER OR OFFICIAL) TITLE	Peter Reznick, President
COMPANY NAME	Mountain Dell Water, Inc.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

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 2001 WAS:

Arizona IntraState Gross Operating Revenues Only ($)

$ 42814

OFFICIAL SEAL
S. MULLANEY
Notary Public - State of Arizona
COCONINO COUNTY
My Comm. Expires Dec. 31, 2003

(THE AMOUNT IN BOX ABOVE INCLUDES $ 2384.- **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)**

Pete Reznick
SIGNATURE OF OWNER OR OFFICIAL

928 774 9550
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF Coconino

THIS 1st **DAY OF** April 2002

(SEAL)

MY COMMISSION EXPIRES 12/31/03

SIGNATURE OF NOTARY PUBLIC

ARIZONA CORPORATION COMMISSION
RECEIVED
APR 05 2002
Director of Utilities

VERIFICATION AND SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	Coconino		
NAME (OWNER OR OFFICIAL)	Peter Reznick	TITLE	President
COMPANY NAME	Mountain Dell Water, Inc.		

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

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 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 42814.—

(THE AMOUNT IN BOX AT LEFT INCLUDES $ 2384 IN SALES TAXES BILLED, OR COLLECTED

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

X _____
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 1st **DAY OF**

(SEAL)

OFFICIAL SEAL
S. MULLANEY
Notary Public - State of Arizona
COCONINO COUNTY
My Comm. Expires Dec. 31, 2003

NOTARY PUBLIC NAME	S. Mullaney	
COUNTY NAME	Coconino	
MONTH	April	20 02

MY COMMISSION EXPIRES 12/31/02

X _____
SIGNATURE OF NOTARY PUBLIC

2001 TAX NOTICE JAN 1, 2001 TO DEC 31, 2001 COUNTY OF COCONINO ARIZONA ADDRESS: 110 E CHERRY AVE. FLAGSTAFF AZ 8600

LEGAL DESCRIPTION: SECTION TWN RNG ACRES .60 USE 5500
TOTAL VALUE OF OPERATING PROPERTY
112-11-008 13,720 112-11-015 12,963

TAX ROLL NUMBER
65419
PARCEL IDENTIFICATION
917-50-100 5
TAX AREA CODE
0100

IMPORTANT - SEE REVERSE SID FOR COMPLETE EXPLANATION O YOUR 2001 TAX NOTICE AND PAYMENT INSTRUCTIONS.

PAID
APR 01 2002
BONNY K. KRASKE
COCONINO COUNTY TREASURER

Pd 10-1-01 #3179

917-50-100 5 65419

MOUNTAIN DELL WATER INC
NICK REZNICK/PRESIDENT
1492 PALMER AVE
FLAGSTAFF AZ 86001-8840

2001 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX	10632
LESS STATE AID TO EDUCATION	0
NET PRIMARY AD VALOREM TAX	10632
SECONDARY AD VALOREM TAX	3525
SPECIAL DISTRICT TAX	0

PAY TOTAL OR HALF TAX

TOTAL TAX DUE ➡	14157
HALF TAX ➡	7078

DELINQUENT DATES
1st HALF NOV. 1, 2001
2nd HALF MAY 1, 2002

THIS IS THE ONLY NOTICE YOU WILL RECEIVE
NO RECEIPT WILL BE SENT UNLESS REQUESTE

PRIMARY PROPERTY TAX CALCULATION (1)

ITEM	LIMITED VALUE	ASSMT.%	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND,BLDGS,ETC.	35783	25.0	8946	0	63005	56365
PERSONAL PROPERTY	31717	25.0	7929	0	63005	49957
TOTALS ➡	67500		16875	0		106322

SECONDARY PROPERTY TAX CALCULATION (2)

ITEM	FULL CASH VALUE	ASSMT.%	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	26683	25.0	6671	0	21317	14222
BLDGS,ETC.	9100	25.0	2275	0	21317	4850
PERSONAL PROPERTY	31717	25.0	7929	0	20404	16178
TOTALS ➡	67500		16875	0		35250

2000-2001 TAX COMPARISON (4)

TAX CODE	TAX JURISDICTION	2001 PRIMARY	2001 SECONDARY	2001 TOTAL	2000 TOTAL	DIFFERENCE
02000	COCONINO COUNTY	5794	00	5794	6136	-3
02001	SCHOOL EQUALIZATION	8394	00	8394	9158	-7
07001	FLAGSTAFF SD #1	85367	27260	112627	119556	-69
08150	COUNTY COMMUNITY COLLEGE DISTRI	6767	2880	9647	10232	-5
11900	FIRE DISTRICT ASSISTANCE FUND	00	1088	1088	1575	-4
14900	COCONINO CO LIBRARY DIS #77-58	00	3205	3205	3395	-1
15000	COCONINO COUNTY FCD #84-41	00	817	817	570	2
	TOTALS ➡	106322	35250	141572	150622	-90

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES