

ANNUAL REPORT

Of

Company Name: **Berneil Water Company**
PO Box 219

Mailing Address: Tempe AZ
85280-0219

Docket No.: W-01275A
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: 4/11/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Berneil Water Company
A Class ☐ A ☒ Utility

For the Calendar Year Ended: 12/31/24

Primary Address:

P.O. Box 219			
City:	Tempe	State:	Arizona
Zip Code:	85280		

Telephone Number:

480-966-5804

Date of Original Organization of Utility:

10/23/1951

Person to whom correspondence should be addressed concerning this report:

Name:

Bradley Folkman

Telephone No. :

480-966-5804

Address:

P.O. Box 219			
City:	Tempe	State:	Arizona
Zip Code:	85280		

Email:

support@arionawaterworks.com

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:

"C" Corporation

Counties Served:

Maricopa

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Berneil Water Company

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.

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.

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	1,332	0	0	1,332	0	1,332
304	Structures and Improvements	33,960	0	0	33,960	30,836	3,124
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	293,177	0	0	293,177	272,751	20,426
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	622,712	87,846	0	710,558	369,982	340,576
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	282,276	0	0	282,276	253,696	28,580
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	1,008,440	2,707	0	1,011,147	945,860	65,287
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	399,560	9,815	0	409,375	232,789	176,586
335	Hydrants	113,668	0	0	113,668	106,907	6,761
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	9,355	0	0	9,355	4,132	5,223
341	Transportation Equipment	44,575	0	0	44,575	13,730	30,845
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	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	36,693	0	0	36,693	33,737	2,956
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$2,845,747	\$100,368	\$0	\$2,946,115	\$2,264,418	\$681,697

Berneil Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/24

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
302	Franchises	0	0	0	0	0	0		0
303	Land and Land Rights	1,332	0	0	1,332	1,332	0		0
304	Structures and Improvements	33,960	0	0	33,960	23,865	10,095	5.00%	534
305	Collecting & Improving Reservoirs	0	0	0	0	0	0		0
306	Lake, River, Canal Intakes	0	0	0	0	0	0		0
307	Wells and Springs	293,177	0	0	293,177	240,509	52,668	5.00%	2,633
308	Infiltration Galleries	0	0	0	0	0	0		0
309	Supply Mains	0	0	0	0	0	0		0
310	Power Generation Equipment	0	0	0	0	0	0		0
311	Pumping Equipment	622,712	87,846	0	710,558	206,040	504,518	5.00%	22,200
320	Water Treatment Equipment	0	0	0	0	0	0		0
320.1	Water Treatment Plants	0	0	0	0	0	0		0
320.2	Solution Chemical Feeders	0	0	0	0	0	0		0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0		0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0		0
330.1	Storage Tanks	282,276	0	0	282,276	237,504	44,772	5.00%	2,239
330.2	Pressure Tanks	0	0	0	0	0	0		0
331	Transmission and Distribution Mains	1,008,440	2,707	0	1,011,147	740,424	270,723	5.00%	11,945
333	Services	0	0	0	0	0	0		0
334	Meters and Meter Installations	399,560	9,815	0	409,375	87,140	322,235	5.00%	15,833
335	Hydrants	113,668	0	0	113,668	95,504	18,164	5.00%	908
336	Backflow Prevention Devices	0	0	0	0	0	0		0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0		0
340	Office Furniture and Equipment	0	0	0	0	0	0		0
340.1	Computer & Software	9,355	0	0	9,355	1,200	8,155	5.00%	408
341	Transportation Equipment	44,575	0	0	44,575	0	44,575	5.00%	2,229
342	Stores Equipment	0	0	0	0	0	0		0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0		0
344	Laboratory Equipment	0	0	0	0	0	0		0
345	Power Operated Equipment	0	0	0	0	0	0		0
346	Communication Equipment	0	0	0	0	0	0		0
347	Miscellaneous Equipment	36,693	0	0	36,693	20,873	15,819	5.00%	791
348	Other Tangible Plant	0	0	0	0	0	0		0
	Subtotal	\$2,845,747	\$100,368	\$0	\$2,946,115	\$1,654,391	\$1,291,724		\$59,721

Contribution(s) in Aid of Construction (Gross)	\$263,892
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	114,108
Amortizable Contribution(s)	\$149,785
Times: Proposed Amortization Rate	5.00%
Amortization of CIAC	\$7,088

Less: Amortization of CIAC **\$7,088**

DEPRECIATION EXPENSE **\$52,633**

Berneil Water Company
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			
134	Working Funds		137,823	107,473
135	Temporary Cash Investments			
141	Customer Accounts Receivable			
146	Notes Receivable from Associated Companies		139,500	139,500
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$277,323	\$246,973
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,845,747	\$2,946,115
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(2,204,697)	(2,264,418)
121	Non-Utility Property		44,099	44,099
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$685,148	\$725,796
	Total Assets		\$962,471	\$972,769

*Note these items feed automatically from AR3 UPIS Page 4

Berneil Water Company
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		\$20,153	\$11,245
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		2,037	2,037
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$22,190	\$13,282
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	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		263,892	263,892
272	Less: Amortization of Contributions		(253,461)	(260,549)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$10,431	\$3,343
	Total Liabilities		\$32,621	\$16,625
	Capital Accounts			
201	Common Stock Issued		\$25,000	\$25,000
211	Other Paid-In Capital		904,850	931,143
215	Retained Earnings			
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$929,850	\$956,143
	Total Liabilities and Capital		\$962,471	\$972,769

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

Berneil Water Company
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	\$689,883	\$727,717
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	2,489	3,250
	Total Revenues	\$692,372	\$730,967
	Operating Expenses		
601	Salaries and Wages	\$50,800	\$50,800
604	Employee Pensions and Benefits	3,563	4,245
610	Purchased Water	107,518	105,151
615	Purchased Power	132,788	123,006
618	Chemicals	2,789	3,470
620	Materials and Supplies	13,389	11,708
620.1	Repairs and Maintenance	0	0
620.2	Office Supplies and Expense	0	0
630	Contractual Services	229,808	206,296
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	7,200	7,475
633	Contractual Services - Legal	664	434
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,664	1,739
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	7,700	0
642	Rental of Equipment	0	0
650	Transportation Expenses	6,964	6,313
657	Insurance - General Liability	9,180	8,129
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	5,471	5,321
403	Depreciation Expense (From Schedule AR4)	52,633	52,850
408	Taxes Other Than Income	13,439	11,187
408.11	Property Taxes	17,844	15,412
409	Income Taxes	2,664	50
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$666,078	\$613,585
	Operating Income / (Loss)	\$26,294	\$117,382
	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)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	\$26,294	\$117,382

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager	0.5			0.5
Engineering Staff				0.0
System Operator(s)			1.0	1.0
Meter reader				0.0
Customer Service			0.5	0.5
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.5	0.0	1.5	2.0

Berneil Water Company
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	None			
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:	\$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:	
ADWR PCC Number:	
Source of water delivered to another system	

Name of system water received from:	CITY OF SCOTTSDALE	
ADWR PCC Number:		91-000227.0000
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 Expense ⁶	Purchased Power (kWh) ⁷
January	23,610,600.00	22,196,741.00				6,103.74	45,702
February	19,456,100.00	18,344,598.00				5,593	40,234
March	29,122,300.00	21,815,483.00				7,712	58,702
April	34,388,800.00	31,090,249.00				9,840	77,878
May	42,216,800.00	37,754,449.00				12,323	100,011
June	52,166,100.00	51,065,660.00				12,912	106,216
July	63,165,700.00	62,455,766.00				15,292	128,641
August	55,738,300.00	55,254,206.00				15,051	126,861
September	46,755,900.00	47,975,681.00				12,474	101,983
October	56,197,400.00	56,224,899.00				13,736	114,453
November	37,962,600.00	36,969,199.00				11,786	95,835
December	36,071,500.00	35,081,413.00				9,853	77,088
Totals	496,852,100.00	476,228,344.00	0.00	0.00	0.00	\$132,674	1,073,604

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

- | | |
|---|---|
| 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:		BERNEIL WATER COMPANY	
ADEQ Public Water System Number:		AZ0407008	
ADWR PCC Number:		91-000183.0000	

[illegible][illegible]

SERVICE LINES		
Material	Percent of system	Year installed

BOOSTER PUMPS			
Horsepower	GPM		Quantity
40		475	3
30		420	1
20		350	1

FIRE HYDRANTS	
Type	Quantity
Standard *	98
Other	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
100,000	Steel	1	1986
100,000	Steel	1	1986
135,000	Steel	1	1979

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	1	1986
5,000	Steel	1	2017

* 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:	Gas Chlorinators
STRUCTURES:	Block Fences
OTHER:	System interconnection with City of Scottsdale

Customer and Other Information	
Name of the System:	BERNEIL WATER COMPANY
ADEQ Public Water System Number:	AZ0407008
ADWR PCC Number:	91-000183.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	516	0	3	9	0
February	516	1	3	9	1
March	516	2	3	9	2
April	515	3	3	9	3
May	516	4	3	9	4
June	515	5	3	9	5
July	516	6	3	9	6
August	515	7	3	9	7
September	517	8	3	9	8
October	517	9	3	9	9
November	517	10	3	9	10
December	514	11	3	9	11

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.

Berneil Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/24

Utility Shutoffs / Disconnects	
Name of the System:	BERNEIL WATER COMPANY
ADEQ Public Water System Number:	AZ0407008
ADWR PCC Number:	91-000183.0000

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):

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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2024 was
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\$17,844

If no property taxes paid, explain why.

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):

Maricopa

Name (owner or official) title:

Bradley Folkman

Company name:

Berneil Water Company

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.



signature of owner/official

480-966-5804

telephone no.