

ANNUAL REPORT

Of

Company Name:

Pine Valley Water Company 480 Raintree Rd
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Mailing Address: Sedona AZ
86351

Docket No.: W-02181A
For the Year Ended:

12/31/25

RECEIVED BY EMAIL
3/18/2026, 4:52 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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:

3/20/2026

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Pine Valley Water Company
A Class Utility

For the Calendar Year Ended: 12/31/25

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:

Important changes during the year
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N/A	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	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	\$4,298	\$0	\$0	\$4,298	\$0	\$4,298
302	Franchises	75	0	0	75	0	75
303	Land and Land Rights	11,994	0	0	11,994	0	11,994
304	Structures and Improvements	10,007	0	0	10,007	10,007	0
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	9,872	0	0	9,872	9,872	0
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	51,394	0	0	51,394	51,394	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	52,549	0	0	52,549	18,374	34,175
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	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	54,957	0	0	54,957	54,957	0
333	Services	20,669	0	0	20,669	20,669	0
334	Meters and Meter Installations	7,615	0	0	7,615	7,615	0
335	Hydrants	4,759	0	0	4,759	4,759	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	10,448	0	0	10,448	10,448	0
340	Office Furniture and Equipment	644	0	0	644	644	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	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	2,781	0	0	2,781	556	2,225
348	Other Tangible Plant	14,857	0	0	14,857	6,715	8,142
	Totals	\$256,919	\$0	\$0	\$256,919	\$196,010	\$60,909

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	\$4,298	\$0	\$0	\$4,298	\$0	\$4,298	0.00%	\$0
302	Franchises	75	0	0	75	0	75	0.00%	0
303	Land and Land Rights	11,994	0	0	11,994	0	11,994	0.00%	0
304	Structures and Improvements	10,007	0	0	10,007	0	10,007	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	9,872	0	0	9,872	9,872	0	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	51,394	0	0	51,394	51,394	0	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	52,549	0	0	52,549	0	52,549	3.33%	1,750
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	0	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	54,957	0	0	54,957	54,957	0	0.00%	0
333	Services	20,669	0	0	20,669	20,669	0	0.00%	0
334	Meters and Meter Installations	7,615	0	0	7,615	7,615	0	0.00%	0
335	Hydrants	4,759	0	0	4,759	4,759	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	10,448	0	0	10,448	0	10,448	3.33%	348
340	Office Furniture and Equipment	644	0	0	644	644	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	0	0	0	0	0	0	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	2,781	0	0	2,781	0	2,781	10.00%	278
348	Other Tangible Plant	14,857	0	0	14,857	0	14,857	0.00%	0
	Subtotal	\$256,919	\$0	\$0	\$256,919	\$149,910	\$107,009		\$2,376

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	2.22%
Amortization of CIAC	\$0
Less: Amortization of CIAC	\$0
DEPRECIATION EXPENSE	\$2,376

Pine Valley Water Company
Annual Report
Balance Sheet Assets
12/31/25

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current and Accrued Assets			
131	Cash		\$1,167	\$3,061
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		5,778	3,189
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		(13,362)	(10,574)
	Total Current and Accrued Assets		(\$6,417)	(\$4,324)
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$256,919	\$256,919
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(193,427)	(196,010)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$63,492	\$60,909
	Total Assets		\$57,075	\$56,585

*Note these items feed automatically from AR3 UPIS Page 4

Pine Valley Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current Liabilities			
231	Accounts Payable		\$48,462	\$47,962
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		4,859	4,859
236	Accrued Taxes		583	593
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$53,904	\$53,414
	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 Liabilities		\$53,904	\$53,414
	Capital Accounts			
201	Common Stock Issued		\$1,000	\$1,000
211	Other Paid-In Capital		83,967	83,967
215	Retained Earnings		(81,796)	(81,796)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$3,171	\$3,171
	Total Liabilities and Capital		\$57,075	\$56,585

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

Pine Valley Water Company
Annual Report
Water Comparative Income Statement
12/31/25

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2025 - 12/31/2025	Last Year 01/01/2024 - 12/31/2024
	Operating Revenue		
461	Metered Water Revenue	\$129,718	\$126,421
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	\$129,718	\$126,421
	Operating Expenses		
601	Salaries and Wages	\$0	\$3,000
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	19,344	15,462
618	Chemicals	0	0
620	Materials and Supplies	2,041	0
620.1	Repairs and Maintenance	1,583	32,745
620.2	Office Supplies and Expense	1,475	2,034
630	Contractual Services	88,100	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	84,000
635	Contractual Services - Water Testing	0	0
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	0	0
657	Insurance - General Liability	2,188	2,182
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	670	2,709
403	Depreciation Expense (From Schedule AR4)	2,376	1,354
408	Taxes Other Than Income	8,201	7,938
408.11	Property Taxes	3,069	3,244
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$129,047	\$154,668
	Operating Income / (Loss)	\$671	(\$28,247)
	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)	\$671	(\$28,247)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	2,080.0	2,080.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	2,080.0	2,080.0
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
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	0.0	0.0	4,160.0	4,160.0

Pine Valley Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/25

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amt. Issued	N/A	N/A	N/A	N/A
Amount Outstanding	N/A	N/A	N/A	N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	N/A	N/A	N/A	N/A
Current Year Principal	N/A	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$4,859
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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.

Well and Water Usage

[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):		

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)
January	1,034,400.00	992,500.00	0.00	0.00	0.00	\$968	6,776
February	952,200.00	912,400.00	0.00	0.00	0.00	793	5,425
March	893,500.00	863,400.00	0.00	0.00	0.00	805	5,382
April	1,050,200.00	1,009,800.00	0.00	0.00	0.00	923	6,422
May	1,370,600.00	1,325,400.00	0.00	0.00	0.00	1,212	8,998
June	1,659,300.00	1,597,600.00	0.00	0.00	0.00	1,336	9,811
July	1,751,100.00	1,694,800.00	0.00	0.00	0.00	1,351	12,453
August	2,036,500.00	1,970,500.00	0.00	0.00	0.00	1,228	11,102
September	1,987,600.00	1,920,300.00	0.00	0.00	0.00	1,445	10,731
October	1,725,700.00	1,668,400.00	0.00	0.00	0.00	1,293	9,344
November	1,419,600.00	1,359,700.00	0.00	0.00	0.00	1,149	8,255
December	1,224,800.00	1,185,600.00	0.00	0.00	0.00	979	6,428
Totals	17,105,500.00	16,500,400.00	0.00	0.00	0.00	\$13,482	101,127

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:	PINE VALLEY WATER CO		
ADEQ Public Water System Number:	AZ0413103		
ADWR PCC Number:	91-000656.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	PVC 40	8,378
6.00	PVC 40	100,317
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0
	NA	0

SERVICE LINES		
Material	Percent of system	Year installed
Black poly	100%	1997
NA		
NA		
NA		
NA		

BOOSTER PUMPS		
Horsepower	GPM	Quantity
7.5	75	2

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
166,000	GALVANIZED STEEL	1	1972
40	GALVANIZED STEEL	1	1972

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	150	80%	85%
1	33	36%	46%
2	1	100%	100%
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		
NA	0		

FIRE HYDRANTS	
Type	Quantity
Standard *	6
Other	1

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	NIZED STEEL	1	1972

* 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:	ARSENIC REMOVAL ABSORBTION UNIT/VESSEL/FILTERS/FLOW METER
STRUCTURES:	ARSENIC TREATMENT FACILITY BUILDING/STORAGE SUPPLY/GENERATOR BUILDING/FENCES
OTHER:	NA

Customer and Other Information	
Name of the System:	PINE VALLEY WATER CO
ADEQ Public Water System Number:	AZ0413103
ADWR PCC Number:	91-000656.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	185				
February	185				
March	185				
April	185				
May	184				
June	184				
July	185				
August	185				
September	185				
October	185				
November	185				
December	186				

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 (GCPCPD) 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.

N/A

Pine Valley Water Company
Annual Report
 Utility Shutoffs / Disconnects
 12/31/25

Utility Shutoffs / Disconnects	
Name of the System:	PINE VALLEY WATER CO
ADEQ Public Water System Number:	AZ0413103
ADWR PCC Number:	91-000656.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	N/A		
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
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 2025 was
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\$3,069

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):

Yavapai

Name (owner or official) title:

Lisa Wischmeier

Company name:

Pine Valley Water Company

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

FOR THE YEAR ENDING:

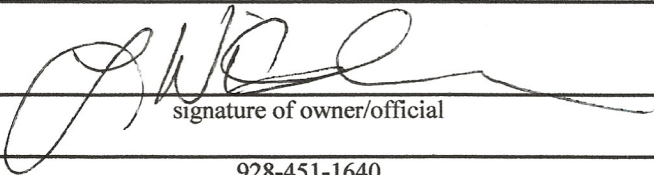
12/31/25

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

928-451-1640

telephone no.