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ARIZONA CORPORATION
COMMISSION

ANNUAL REPORT

Of

Company Name: **Pinecrest Water Company, Inc.**
PO Box 97

Mailing Address: Nutrioso AZ
85932

Docket No.: W-02091A
For the Year Ended: 12/31/20

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: 4/10/2021

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT

Pinecrest Water Company, Inc.

A Class ☐ Utility

For the Calendar Year Ended: 12/31/20

Primary Address: PO Box 97
City: Nutrioso State: Arizona Zip Code: 85932

Telephone Number: 928-339-4972

Date of Original Organization of Utility: 7/1/1978

Person to whom correspondence should be addressed concerning this report:

Name: Nathan Castillo
Telephone No. : 928-339-4972
Address: PO Box 97
City: Nutrioso State: Arizona Zip Code: 85932
Email: pinecrestwatercompany@gmail.com

Management Contact
Name: Elsa Castillo
Telephone No. : 928-339-4972
Address: PO Box 97
City: Nutrioso State: Arizona Zip Code: 85932
Email: pinecrestwatercompany@gmail.com

Ownership: "C" Corporation

Counties Served: Apache

ARIZONA CORPORATION COMMISSION
 WATER UTILITY ANNUAL REPORT
 Pinecrest Water Company, Inc.

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.
	NONE

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.
	NONE

Pinecrest Water Company, Inc.
Annual Report
Utility Plant in Service (Water)
12/31/20

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	\$750	\$0	\$0	\$750	\$0	\$750
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	6,000	0	0	6,000	0	6,000
304	Structures and Improvements	14,954	0	0	14,954	14,954	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	4,800	0	0	4,800	4,800	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	5,909	0	0	5,909	5,909	0
320	Water Treatment Equipment	505	0	0	505	505	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	25,644	0	0	25,644	10,574	15,070
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	17,743	0	0	17,743	17,743	0
333	Services	3,200	0	0	3,200	3,200	0
334	Meters and Meter Installations	1,600	0	0	1,600	1,600	0
335	Hydrants	0	0	0	0	0	0
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	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	100	0	0	100	100	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	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$81,205	\$0	\$0	\$81,205	\$59,385	\$21,820

Pinecrest Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/20

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	\$750	\$0	\$0	\$750	\$750	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,000	0	0	6,000	6,000	0	0.00%	0
304	Structures and Improvements	14,954	0	0	14,954	14,954	0	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	4,800	0	0	4,800	4,800	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	5,909	0	0	5,909	5,909	0	0.00%	0
320	Water Treatment Equipment	505	0	0	505	505	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
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	25,644	0	0	25,644	0	25,644	2.20%	564
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	17,743	0	0	17,743	17,743	0	0.00%	0
333	Services	3,200	0	0	3,200	3,200	0	0.00%	0
334	Meters and Meter Installations	1,600	0	0	1,600	1,600	0	0.00%	0
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	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	100	0	0	100	100	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	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$81,205	\$0	\$0	\$81,205	\$55,561	\$25,644		\$564

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	2.20%
Amortization of CIAC	\$0

Less: Amortization of CIAC	\$0
DEPRECIATION EXPENSE	\$564

Pinecrest Water Company, Inc.
Annual Report
Balance Sheet Assets
12/31/20

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current and Accrued Assets			
131	Cash		\$10,361	\$17,233
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$10,361	\$17,233
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$81,205	\$81,205
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation		(58,821)	(59,385)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$22,384	\$21,820
	Total Assets		\$32,745	\$39,053

*Note these items feed automatically from AR3 UPIS Page 4

Pinecrest Water Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current Liabilities			
231	Accounts Payable			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$0	\$0
	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			
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$0	\$0
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		32,745	39,053
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$32,745	\$39,053
	Total Liabilities and Capital		\$32,745	\$39,053

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

Pinecrest Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/20

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	Operating Revenue		
461	Metered Water Revenue	\$21,396	\$16,730
460	Unmetered Water Revenue	149	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	\$21,545	\$16,730
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	1,779	1,446
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	1,136	234
620.2	Office Supplies and Expense	1,381	845
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,600	1,500
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	4,968	5,120
635	Contractual Services - Water Testing	1,187	330
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	623	1,616
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	79	85
403	Depreciation Expense (From Schedule AR4)	564	860
408	Taxes Other Than Income	1,383	957
408.11	Property Taxes	487	430
409	Income Taxes	50	50
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$15,237	\$13,473
	Operating Income / (Loss)	\$6,308	\$3,257
	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)	\$6,308	\$3,257

Pinecrest Water Company, Inc.
 Annual Report
 Full time equivalent employees
 12/31/20

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	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	2.0	2.0
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	2.0	2.0

Pinecrest Water Company, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/20

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	NONE	NONE	NONE	NONE
Source of Loan	NONE	NONE	NONE	NONE
ACC Decision No.	NONE	NONE	NONE	NONE
Reason for Loan	NONE	NONE	NONE	NONE
Dollar Amt. Issued	NONE	NONE	NONE	NONE
Amount Outstanding	NONE	NONE	NONE	NONE
Date of Maturity	NONE	NONE	NONE	NONE
Interest Rate	NONE	NONE	NONE	NONE
Current Year Interest	NONE	NONE	NONE	NONE
Current Year Principal	NONE	NONE	NONE	NONE

Meter Deposit Balance at Test Year End:	\$0
---	-----

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:		#N/A	
Source of water delivered to another system	NA		

Name of system water received from:	NA		
ADWR PCC Number:			#N/A
Source of water received	NA		
Well registry 55# (55-XXXXXXX):	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 Expense6	Purchased Power (kWh)7
January	37,100.00	36,190.00	0.00	0.00	910.00	\$17	633
February	31,900.00	29,870.00	0.00	0.00	2,030.00	160	560
March	41,120.00	41,120.00	0.00	0.00	0.00	157	359
April	60,150.00	60,150.00	0.00	0.00	0.00	154	534
May	112,300.00	112,300.00	0.00	0.00	0.00	149	478
June	112,200.00	108,110.00	0.00	0.00	4,090.00	143	411
July	76,180.00	76,180.00	0.00	0.00	0.00	137	336
August	97,000.00	96,520.00	0.00	0.00	480.00	143	408
September	90,930.00	90,930.00	0.00	0.00	0.00	142	391
October	82,760.00	82,760.00	0.00	0.00	0.00	143	398
November	41,000.00	39,520.00	0.00	0.00	1,480.00	147	451
December	40,580.00	40,580.00	0.00	0.00	0.00	155	537
Totals	823,220.00	814,230.00	0.00	0.00	8,990.00	\$1,646	5,496

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

4,030 gallons from customers broken line, 4,960 gallons for flushing, cleaning and construction.

- 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:		PINECREST WATER CO INC	
ADEQ Public Water System Number:		AZ0401010	
ADWR PCC Number:		91-000005.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
1.00	PVC	2,800
2.00	PVC	2,762
3.00	PVC	1,630
4.00	PVC	4,435
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

SERVICE LINES		
Material	Percent of system	Year installed
PVC	90%	UNK
Other	10%	UNK
NA	NA	NA
NA	NA	NA
NA	NA	NA

BOOSTER PUMPS		
Horsepower	GPM	Quantity
3	60	1
1.5	50	1
NA	NA	NA
NA	NA	NA

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
15,000	Galvanized Steel	1	2013
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	46	0%	25%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
80	Fiberglass	3	2010
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

* 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:	HAND CHLORINATION
STRUCTURES:	8' X 12' PUMPHOUSE
OTHER:	CHAINLINK FENCING @ PUMPHOUSE AND WELLHEAD

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC	42
Method used:	(a)

Customer and Other Information		
Name of the System:	PINECREST WATER CO INC	
ADEQ Public Water System Number:	AZ0401010	
ADWR PCC Number:	91-000005.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	38	0	0	0	0
February	38	0	0	0	0
March	38	0	0	0	0
April	38	0	0	0	0
May	38	0	0	0	0
June	38	0	0	0	0
July	38	0	0	0	0
August	38	0	0	0	0
September	38	0	0	0	0
October	38	0	0	0	0
November	38	0	0	0	0
December	38	0	0	0	0

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?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Future plans are to improve storage capacity for supplies. Growth is extremely slow in regards to new installations for new customers.

* an ERC is based on the calculation on the bottom of AR9 page 12.

Pinecrest Water Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	PINECREST WATER CO INC
ADEQ Public Water System Number:	AZ0401010
ADWR PCC Number:	91-000005.0000

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):

NA

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.

Pinecrest Water Company, Inc.
Annual Report
Property Taxes
12/31/20

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2020 was
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\$487

If no property taxes paid, explain why.

PAID

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 Sworn Statement (Taxes)

Verification: State of ARIZONA I, the undersigned of the
(state name)

County of (county name):

Apache

Name (owner or official) title:

Nathan Castillo, President

Company name:

Pinecrest Water Company, Inc.

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

FOR THE YEAR ENDING:

12/31/20

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.

Nathan Castillo
signature of owner/official

928-339-4972

telephone no.

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

THIS

12th

DAY OF

Apache

(county name)

April 2021

(month) and (year)

MY COMMISSION EXPIRES

09/04/2023
(date)



Sonia Wink
Notary Public
Apache County, Arizona
My Comm. Expires 09-04-23
Commission No. 570235

Sonia Wink
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name):

Apache

Name (owner or official) title:

Nathan Castillo, President

Company name:

Pinecrest Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/20

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 (\$)

\$21,545

(The amount in the box above includes

\$1,383 in sales taxes

billed or collected)

Nathan Castillo
signature of owner/official

928-339-4972

telephone no.

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

THIS

12th

DAY OF

Apache
(county name)

April 2021
(month) and (year)

MY COMMISSION EXPIRES

09/04/2023
(date)



Sonia Wink
Notary Public
Apache County, Arizona
My Comm. Expires 09-04-23
Commission No. 570235

Sonia Wink
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name):

Apache

Name (owner or official) title:

Nathan Castillo, President

Company name:

Pinecrest Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/20

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 (\$)

\$21,545

(The amount in the box above includes

\$1,383 in sales taxes
billed or collected)

RECEIVED
UTILITIES DIVISION
2021 APR 14 A 10:23
ARIZONA CORPORATION
COMMISSION

Nathan Castillo
signature of owner/official

928-339-4972

telephone no.

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

Apache
(county name)

THIS

12th

DAY OF

April 2021
(month) and (year)

MY COMMISSION EXPIRES

09/04/2023
(date)



Sonia Wink
Notary Public
Apache County, Arizona
My Comm. Expires 09-04-23
Commission No. 570235

Sonia Wink
(signature of notary public)

Pinecrest Water Company, Inc.
Annual Report
Full Gross-up Method for Income Tax Statement of Certification
12/31/20

Full Gross-up Method for Income Tax Statement of Certification

Verification:

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

County of (county name):

Apache

Name (owner or official) title:

Nathan Castillo, President

Company name:

Pinecrest Water Company, Inc.

FOR THE YEAR ENDING: 12/31/20

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS NOT INCURRED NOR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

RECEIVED
UTILITIES DIVISION
2021 APR 14 A 10:22
ARIZONA CORPORATION
COMMISSION

Nathan Castillo
signature of owner/official

928-339-4972
telephone no.

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

Apache
(county name)

THIS

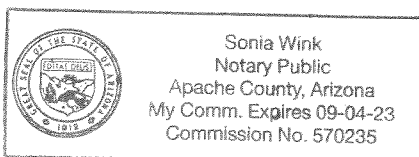
12th

DAY OF

April 2021
(month) and (year)

MY COMMISSION EXPIRES

09/04/2023
(date)



Sonia Wink
(signature of notary public)