

**ANNUAL REPORT**

Of

Company Name: Valley Utilities Water Company, Inc.

6808 N. Dysart Rd., Ste. 112

Mailing Address:      Glendale              AZ  
85307

Docket No.:              W-01412A

For the Year Ended: 12/31/18

**RECEIVED**  
**MAY 15 2019**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdelafuente@azcc.gov](mailto:rdelafuente@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: 5/16/2019

5-17-19

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Valley Utilities Water Company, Inc.  
A Class  Utility

1. For the Calendar Year Ended: 12/31/18

2. Address: 

6808 N. Dysart Rd, #112			
City:	Glendale	State:	Arizona
		Zip Code:	85307

3. Telephone Number: 

623-935-1100
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4. Date of Original Organization of Utility: 

7/7/1973
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5. Person to whom correspondence should be addressed concerning this report:

Name: 

Bryan Thomas
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Telephone No. : 

623-935-1100
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Address: 

6808 N. Dysart Rd, #112			
City:	Glendale	State:	Arizona
		Zip Code:	85307

  
Email: 

bryan@vuwco.com
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6. On-Site Manager:

Name: 

Bryan Thomas
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Telephone No. : 

623-935-1100
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Address: 

6808 N. Dysart Rd, #112			
City:	Glendale	State:	Arizona
		Zip Code:	85307

  
Email: 

bryan@vuwco.com
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7. Ownership: 

"C" Corporation
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8. Counties Served: 

Maricopa
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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	742,171	\$0	\$0	742,171	\$0	742,171
304	Structures and Improvements	335,567	\$66,182	\$0	401,749	\$91,178	310,571
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	1,995,553	\$83,951	\$0	2,079,504	\$592,018	1,487,486
308	Infiltration Galleries	0	\$0	\$0	0	\$0	0
309	Supply Mains	0	\$0	\$0	0	\$0	0
310	Power Generation Equipment	12,696	\$0	\$0	12,696	\$1,721	10,975
311	Pumping Equipment	1,093,195	\$76,793	\$19,875	1,150,113	\$862,569	287,544
320	Water Treatment Equipment	0	\$0	\$0	0	\$0	0
320.1	Water Treatment Plants	2,102,661	\$52,274	\$0	2,154,935	\$602,574	1,552,361
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	874,959	\$0	\$0	874,959	\$417,156	457,803
330.2	Pressure Tanks	0	\$0	\$0	0	\$0	0
331	Transmission and Distribution Mains	4,580,163	\$15,039	\$0	4,595,202	\$1,738,043	2,857,159
333	Services	324,856	\$15,301	\$400	339,757	\$86,747	253,010
334	Meters and Meter Installations	539,715	\$38,920	\$29,016	549,619	\$389,923	159,696
335	Hydrants	332,711	\$0	\$0	332,711	\$77,219	255,492
336	Backflow Prevention Devices	0	\$0	\$0	0	\$0	0
339	Other Plant and Misc. Equipment	11,457	\$12,288	\$0	23,745	\$3,904	19,841
340	Office Furniture and Equipment	93,141	\$1,948	\$0	95,089	\$75,154	19,935
340.1	Computer & Software	0	\$0	\$0	0	\$0	0
341	Transportation Equipment	168,711	\$0	\$0	168,711	\$119,315	49,396
342	Stores Equipment	0	\$0	\$0	0	\$0	0
343	Tools, Shop and Garage Equipment	58,251	\$0	\$0	58,251	\$42,692	15,559
344	Laboratory Equipment	0	\$0	\$0	0	\$0	0
345	Power Operated Equipment	5,930	\$0	\$0	5,930	\$5,930	0
346	Communication Equipment	0	\$0	\$0	0	\$0	0
347	Miscellaneous Equipment	52,376	\$1,117	\$0	53,493	\$32,387	21,106
348	Other Tangible Plant	6,090	\$0	\$0	6,090	\$5,467	623
	<b>Totals</b>	<b>\$13,330,203</b>	<b>\$363,813</b>	<b>\$49,291</b>	<b>\$13,644,725</b>	<b>\$5,143,997</b>	<b>\$8,500,728</b>

**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.

Valley Utilities Water Company, Inc.  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/18

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	\$0	0.00%	0
303	Land and Land Rights	742,171	0	0	742,171	\$742,171	0.00%	0
304	Structures and Improvements	335,567	66,182	0	401,749	\$0	3.33%	12,277
305	Collecting & Improving Reservoirs	0	0	0	0	\$0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	\$0	0.00%	0
307	Wells and Springs	1,995,553	83,951	0	2,079,504	\$0	3.33%	67,850
308	Infiltration Galleries	0	0	0	0	\$0	0.00%	0
309	Supply Mains	0	0	0	0	\$0	0.00%	0
310	Power Generation Equipment	12,696	0	0	12,696	\$0	5.00%	636
311	Pumping Equipment	1,093,195	76,793	19,875	1,150,113	\$716,373	12.50%	50,663
320	Water Treatment Equipment	0	0	0	0	\$0	0.00%	0
320.1	Water Treatment Plants	2,102,661	52,274	0	2,154,935	\$0	3.33%	72,937
320.2	Solution Chemical Feeders	0	0	0	0	\$0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	\$0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	\$0	0.00%	0
330.1	Storage Tanks	874,959	0	0	874,959	\$0	2.22%	19,424
330.2	Pressure Tanks	0	0	0	0	\$0	0.00%	0
331	Transmission and Distribution Mains	4,580,163	15,039	0	4,595,202	\$0	2.00%	91,753
333	Services	324,856	15,301	400	339,757	\$0	3.33%	11,066
334	Meters and Meter Installations	539,715	38,920	29,016	549,619	\$340,115	8.33%	15,832
335	Hydrants	332,711	0	0	332,711	\$0	2.00%	6,654
336	Backflow Prevention Devices	0	0	0	0	\$0	0.00%	0
339	Other Plant and Misc. Equipment	11,457	12,288	0	23,745	\$0	6.67%	1,175
340	Office Furniture and Equipment	93,141	1,948	0	95,089	\$68,321	6.67%	1,720
340.1	Computer & Software	0	0	0	0	\$0	0.00%	0
341	Transportation Equipment	168,711	0	0	168,711	\$69,107	20.00%	21,909
342	Stores Equipment	0	0	0	0	\$0	0.00%	0
343	Tools, Shop and Garage Equipment	58,251	0	0	58,251	\$0	5.00%	2,913
344	Laboratory Equipment	0	0	0	0	\$0	0.00%	0
345	Power Operated Equipment	5,930	0	0	5,930	\$5,930	5.00%	0
346	Communication Equipment	0	0	0	0	\$0	0.00%	0
347	Miscellaneous Equipment	52,376	1,117	0	53,493	\$20,000	10.00%	4,293
348	Other Tangible Plant	6,090	0	0	6,090	\$0	3.33%	203
	<b>Subtotal</b>	<b>\$13,330,203</b>	<b>\$363,813</b>	<b>\$49,291</b>	<b>\$13,644,725</b>	<b>\$1,962,017</b>		<b>\$381,305</b>

Contribution(s) in Aid of Construction (Gross)	\$5,213,707	
Less: Non Amortizable Contribution(s)	0	
Fully Amortized Contribution(s)	0	
Amortizable Contribution(s)	<u>\$5,213,707</u>	
Times: Proposed Amortization Rate	3.26%	
<b>Amortization of CIAC</b>	\$170,165	
		<b>Less: Amortization of CIAC</b> <input type="text" value="\$170,165"/>
		<b>DEPRECIATION EXPENSE</b> <input type="text" value="\$211,140"/>

**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.

Valley Utilities Water Company, Inc.  
 Annual Report  
 Balance Sheet Assets  
 12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$302,540	\$461,946
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		193,496	150,936
146	Notes Receivable from Associated Companies		416	0
151	Plant Material and Supplies		32,869	38,783
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		163,891	161,245
	<b>Total Current and Accrued Assets</b>		<b>\$693,212</b>	<b>\$812,910</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$13,330,203	\$13,644,725
103	Property Held for Future Use		14,520	12,050
105	Construction Work in Progress		59,140	196,625
108	Accumulated Depreciation (enter as negative)*		(4,800,642)	(5,143,997)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$8,603,221</b>	<b>\$8,709,403</b>
	<b>Total Assets</b>		<b>\$9,296,433</b>	<b>\$9,522,313</b>

**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.

\*Note these items feed automatically from AR3 UPIS Page 3

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

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$31,767	\$20,496
232	Notes Payable (Current Portion)		128,625	134,141
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		72,491	66,692
236	Accrued Taxes		98,164	137,962
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		191,661	11,738
	<b>Total Current Liabilities</b>		<b>\$522,708</b>	<b>\$371,029</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$994,219	\$858,271
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		1,753,885	2,037,135
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		5,213,707	5,213,707
272	Less: Amortization of Contributions		(993,590)	(1,163,755)
281	Accumulated Deferred Income Tax		0	603,646
	<b>Total Deferred Credits</b>		<b>\$5,974,002</b>	<b>\$6,690,733</b>
	<b>Total Liabilities</b>		<b>\$7,490,929</b>	<b>\$7,920,033</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$150,000	\$150,000
211	Other Paid-In Capital		264,988	264,988
215	Retained Earnings		1,390,516	1,187,292
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$1,805,504</b>	<b>\$1,602,280</b>
	<b>Total Liabilities and Capital</b>		<b>\$9,296,433</b>	<b>\$9,522,313</b>

**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.

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

Valley Utilities Water Company, Inc.  
Annual Report  
Water Comparative Income Statement  
12/31/18

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$2,159,874	\$2,084,347
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	51,554	61,015
474	Other Water Revenue	0	0
	<b>Total Revenues</b>	<b>\$2,211,428</b>	<b>\$2,145,362</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$533,142	\$576,020
604	Employee Pensions and Benefits	9,714	11,025
610	Purchased Water	7,466	4,008
615	Purchased Power	178,181	183,172
618	Chemicals	16,280	15,955
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	42,036	41,142
620.2	Office Supplies and Expense	8,637	11,020
630	Contractual Services	0	0
631	Contractual Services -Engineering	8,890	1,095
632	Contractual Services - Accounting	4,770	4,183
633	Contractual Services - Legal	4,329	30,700
634	Contractual Services - Management Fees	240,000	60,000
635	Contractual Services - Water Testing	12,939	14,572
636	Contractual Services - Other	2,147	0
640	Rents	0	0
641	Rental of Building/Real Property	36,673	34,405
642	Rental of Equipment	1,680	2,912
650	Transportation Expenses	27,720	27,144
657	Insurance - General Liability	28,468	36,210
657.1	Insurance - Health and Life	89,078	78,581
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	4,758	1,853
675	Miscellaneous Expense	64,624	66,040
403	Depreciation Expense (From Schedule AR4)	211,140	205,804
408	Taxes Other Than Income	38,135	43,863
408.11	Property Taxes	69,507	63,792
409	Income Taxes	696,540	(294,160)
427.1	Customer Security Deposit Interest	4,052	3,866
	<b>Total Operating Expenses</b>	<b>\$2,340,906</b>	<b>\$1,223,202</b>
	<b>Operating Income / (Loss)</b>	<b>(\$129,478)</b>	<b>\$922,160</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$3,223	\$2,055
421	Non-Utility Income	3,965	7,370
426	Miscellaneous Non-Utility (Expense)	(11,341)	0
427	Interest (Expense)	(69,594)	(83,114)
	<b>Total Other Income / (Expense)</b>	<b>(\$73,747)</b>	<b>(\$73,689)</b>
	<b>Net Income / (Loss)</b>	<b>(\$203,225)</b>	<b>\$848,471</b>

**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.

Valley Utilities Water Company, Inc.  
 Annual Report  
 Full time equivalent employees  
 12/31/18

**Full time equivalent employees**

	Direct Company	Outside service	Total
President	1.0	0.0	1.0
Vice-president	0.0	0.0	0.0
Manager	1.0	1.0	2.0
Engineering Staff	0.0	0.5	0.5
System Operator(s)	3.0	1.0	4.0
Meter reader	1.0	0.0	1.0
Customer Service	1.0	0.0	1.0
Accounting	0.0	1.0	1.0
Business Office	0.0	0.0	0.0
Rates Department	0.0	0.5	0.5
Administrative Staff	0.0	0.0	0.0
Other	0.0	0.5	0.5
<b>Total</b>	7.0	4.5	11.5

**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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.



Valley Utilities Water Company, Inc.  
 Annual Report  
 Supplemental Financial Data (Long-Term Debt)  
 12/31/18

<b>Supplemental Financial Data (Long-Term Debt)</b>				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	Various	Various	1/0/1900	1/0/1900
Source of Loan	WIFA	WIFA	0	0
ACC Decision No.	68309	70138	0	0
Reason for Loan	Arsenic Treatment	Well 6A	0	0
Dollar Amt. Issued	\$1,925,941	\$250,000	\$0	\$0
Amount Outstanding	\$833,955	\$158,457	\$0	\$0
Date of Maturity	11/1/2024	10/1/2028	1/0/1900	1/0/1900
Interest Rate	5.78%	5.80%	0.00%	0.00%
Current Year Interest	\$51,979	\$9,587	\$0	\$0
Current Year Principal	\$118,341	\$12,091	\$0	\$0

Meter Deposit Balance at Test Year End:	\$59,557
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Meter Deposits Refunded During the Test Year:	\$7,441
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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									
Name of the System:		VALLEY UTILITIES WATER COMPANY							
ADEQ Public Water System Number:		AZ0407079							
ADWR PCC Number:		91-000214.0000							
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Meter Size (inches)	How measured:	Active
1. 55-639720	25	100	650	12	Submersible	1942	3	Metered	Yes
2. Out of Svc	-	-	-	-	-	-	-	Metered	No
3. 55-639723	25	80	425	8	Submersible	1965	4	Metered	Yes
4. Out of Svc	-	-	-	-	-	-	0	Metered	No
5. 55-503273	75	380	850	20	Turbine	1982	6	Metered	Yes
6. Out of Svc	-	-	-	-	-	-	-	Metered	No
6A. 55-216455	100	200	550	14	Submersible	2008	8	Metered	Yes
7. 55-208819	125	380	690	12	Turbine	2007	8	Metered	Yes
8. 55-225357	125	200	600	16	Turbine	2016	6	Metered	No
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

Name of system water delivered to:	TIERRA BUENA WATER CO.
ADWR PCC Number:	91-000211.0000
Source of water delivered to another system	Ground Water

Name of system water received from:	LITCHFIELD PARK SERVICE CO.
ADWR PCC Number:	91-000199.0000
Source of water received	Ground Water
Well registry 55# (55-XXXXXX):	Multiple

Month	Water withdrawn (acre ft) <sup>1</sup>	Water sold (acre ft) <sup>2</sup>	Water delivered (sold) to other systems (acre ft) <sup>3</sup>	Water received (purchased) from other systems (acre ft) <sup>4</sup>	Estimated authorized use (acre ft) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	88	80	0	0	0	\$12,125	115,012
February	96	90	0	0	0	12,358	121,507
March	102	96	0	0	1	12,248	126,953
April	141	132	0	2	0	14,934	172,084
May	139	133	(0)	2	0	16,699	174,791
June	137	127	(0)	0	0	17,182	177,028
July	139	131	0	0	0	17,918	180,178
August	133	124	0	0	0	16,171	176,435
September	137	127	0	0	0	16,403	181,481
October	110	98	(6)	0	0	13,824	138,218
November	111	96	(8)	0	0	15,238	138,755
December	101	88	(7)	0	0	13,081	124,417
<b>Totals</b>	<b>1,435</b>	<b>1,322</b>	<b>(21)</b>	<b>4</b>	<b>2</b>	<b>\$178,181</b>	<b>1,826,859</b>

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

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.

- 1 Water withdrawn - Total acre feet of water withdrawn from pumped sources.
- 2 Water sold - Total acre feet from customer meters, and other sales such as construction water.
- 3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.
- 4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.
- 5 Estimated authorized use - Total estimated acre feet 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:	VALLEY UTILITIES WATER COMPANY	
ADEQ Public Water System Number:	AZ0407079	
ADWR PCC Number:	91-000214.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	AC & PVC	10,000
6.00	AC, PVC ,DIP	78,486
8.00	AC, PVC ,DIP	55,964
10.00	DIP	2,952
12.00	AC & DIP	5,973
16.00	DIP & PVC	7,483
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	107
0.75	893
1	566
1.5	16
Compound 2	2
Turbine 2	51
Turbine 3	6
Compound 6	1
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

SERVICE LINES	
Material	Percent of system
Copper	70%
Black poly	29%
PVC	1%
-	-
-	-

BOOSTER PUMPS			
Horsepower	GPM		Quantity
15		Variable	2
20		Variable	3
30		Variable	2
40		Variable	3
50		Variable	2

FIRE HYDRANTS	
Type	Quantity
Standard *	212
Other	0

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
100,000	Steel	3
200,000	Steel	1
560,000	Steel	1
1,000,000	Steel	1
-	-	-
-	-	-

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
5,000	Steel	1
7,500	Steel	1
10,000	Steel	1
-	-	-
-	-	-
-	-	-

**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. Copy and paste this sheet as many times as is necessary.

\* 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)**

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

<b>TREATMENT EQUIPMENT:</b>	Two Arsenic Treatment Facilities, Two 300-Gallon Liquid Chlorinators, & One 100-Gallon Liquid Chlorinator.
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<b>STRUCTURES:</b>	Two Arsenic Treatment Buildings (2400 & 1200 sq. ft.), Two Motor Control Centers (264 & 192 sq. ft.).
--------------------	---

<b>OTHER:</b>	-
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**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. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	VALLEY UTILITIES WATER COMPANY
ADEQ Public Water System Number:	AZ0407079
ADWR PCC Number:	91-000214.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	1,473	32	54	34	0
February	1,472	32	53	34	0
March	1,478	32	48	34	0
April	1,473	32	54	34	0
May	1,472	32	54	34	0
June	1,477	32	52	34	0
July	1,477	32	53	34	0
August	1,480	32	52	34	0
September	1,484	32	53	34	0
October	1,484	32	54	35	0
November	1,481	32	53	35	0
December	1,482	32	53	35	0

*total 1,605*

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 GCPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?   
 If yes, which AMA?

**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. Copy and paste this sheet as many times as is necessary.

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2018 was	
--	--

\$66,650
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If no property taxes paid, explain why.
---

N/A
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<b>Instructions:</b> 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.
---

Valley Utilities Water Company, Inc.  
Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/18

Verification and Sworn Statement (Taxes)

RECEIVED

MAY 15 2019

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

County of (county name): Maricopa  
Name (owner or official) title: Bryan Thomas, CFO  
Company name: Valley Utilities Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/18

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.

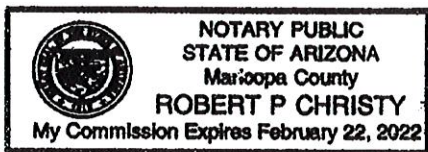
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

B/T  
signature of owner/official  
623-935-1100  
telephone no.

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

THIS 2nd DAY OF May 2019  
(month) and (year)

MY COMMISSION EXPIRES 02-22-2022  
(date)



Robert P. Christy  
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Maricopa  
Name (owner or official) title: Bryan Thomas, CFO  
Company name: Valley Utilities Water Company, Inc.

RECEIVED  
MAY 15 2019  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

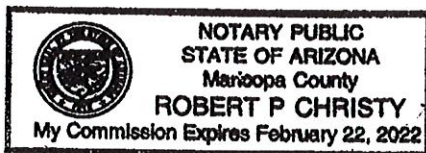
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND 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 (\$)  
\$2,353,198  
(The amount in the box above includes  
\$141,770 in sales taxes  
billed or collected)

Bryan Thomas  
signature of owner/official  
623-935-1100  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY Maricopa  
(county name)  
THIS 2nd DAY OF May 2019  
(month) and (year)  
MY COMMISSION EXPIRES 02-22-2022  
(date)



Robert P. Christy  
(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): Maricopa  
Name (owner or official) title: Bryan Thomas, CFO  
Company name: Valley Utilities Water Company, Inc.

RECEIVED  
MAY 15 2019  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

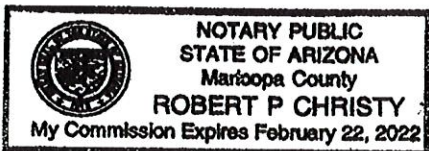
\$1,354,613  
(The amount in the box above includes  
\$81,517 in sales taxes  
billed or collected)

Bryan Thomas  
signature of owner/official  
  
623-935-1100  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY Maricopa  
(county name)

THIS 2nd DAY OF May 2019  
(month) and (year)

MY COMMISSION EXPIRES 02-22-2022  
(date)



Robert P. Christy  
(signature of notary public)

Company	Valley Utilities Water Company, Inc.	
Docket No.:	W-01412A	
Name of the System:	VALLEY UTILITIES WATER COMP	
ADEQ Public Water System Number:	AZ0407079	
ADWR PCC Number:	91-000214.0000	

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	16	0
February	0	18	0
March	0	23	0
April	0	12	0
May	0	15	0
June	0	20	0
July	0	24	0
August	2	23	0
September	0	26	0
October	0	25	0
November	0	20	0
December	0	7	0
<b>Total</b>	<b>2</b>	<b>229</b>	<b>0</b>

Other (description):

N/A
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**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.