

ANNUAL REPORT

Of

Company Name: Virgin Mountain Utilities Company, Inc.

PO Box 668

Mailing Address: Littlefield AZ
85432

Docket No.: W-03551A

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, 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: 5/15/2019

5-17-19

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Virgin Mountain Utilities Company, Inc.
A Class E Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

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

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

6. On-Site Manager:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

7. Ownership:

8. Counties Served:

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	\$8,590	\$0	\$0	\$8,590	\$0	\$8,590
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	2,739	0	0	2,739	0	2,739
304	Structures and Improvements	0	0	0	0	0	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	41,439	0	0	41,439	20,206	21,233
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	16,744	0	0	16,744	16,744	0
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	15,929	0	0	15,929	6,432	9,497
330.2	Pressure Tanks	14,739	0	0	14,739	13,634	1,105
331	Transmission and Distribution Mains	430,624	0	0	430,624	94,774	335,850
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	0	0	0	0	0	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	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	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$530,804	\$0	\$0	\$530,804	\$151,790	\$379,014

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.

Virgin Mountain Utilities 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	\$8,590	\$0	\$0	\$8,590	\$8,590	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	2,739	0	0	2,739	2,739	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0.00%	0
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	41,439	0	0	41,439	0	3.33%	1,380
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	0	0	0	0	0	0.00%	0
311	Pumping Equipment	16,744	0	0	16,744	16,744	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
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	15,929	0	0	15,929	0	2.22%	354
330.2	Pressure Tanks	14,739	0	0	14,739	0	5.00%	737
331	Transmission and Distribution Mains	430,624	0	0	430,624	6,124	2.00%	8,490
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	0	0	0	0	0	0.00%	0
335	Hydrants	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$530,804	\$0	\$0	\$530,804	\$34,197		\$10,961

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 2.21%
 Amortization of CIAC \$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

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.

Virgin Mountain Utilities 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.	Current and Accrued Assets			
131	Cash		\$1,260	\$3,665
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		5,484	2,912
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		400	400
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$7,144	\$6,977
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$530,804	\$530,804
103	Property Held for Future Use		25,000	25,000
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(140,829)	(151,790)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$414,975	\$404,014
	Total Assets		\$422,119	\$410,991

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

Virgin Mountain Utilities Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	6,800
236	Accrued Taxes		3,909	3,759
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		27,275	25,378
	Total Current Liabilities		\$31,184	\$35,937
	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		48,347	48,347
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		\$48,347	\$48,347
	Total Liabilities		\$79,531	\$84,284
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		475,941	478,941
215	Retained Earnings		(133,353)	(152,234)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$342,588	\$326,707
	Total Liabilities and Capital		\$422,119	\$410,991

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!

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

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$50,111	\$47,751
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	775	0
474	Other Water Revenue	657	780
	Total Revenues	\$51,543	\$48,531
	Operating Expenses		
601	Salaries and Wages	\$19,694	\$25,108
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	5,642	4,544
618	Chemicals	400	215
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	1,255	0
620.2	Office Supplies and Expense	10,527	6,199
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,858	1,880
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,062	1,325
636	Contractual Services - Other	0	0
640	Rents	5,842	5,356
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	3,472	0
650	Transportation Expenses	2,791	1,869
657	Insurance - General Liability	1,156	1,788
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	0	268
403	Depreciation Expense (From Schedule AR4)	10,961	10,960
408	Taxes Other Than Income	2,443	3,392
408.11	Property Taxes	2,694	2,265
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$69,797	\$65,169
	Operating Income / (Loss)	(\$18,254)	(\$16,638)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$15	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	(440)
427	Interest (Expense)	(643)	(179)
	Total Other Income / (Expense)	(\$628)	(\$619)
	Net Income / (Loss)	(\$18,882)	(\$17,257)

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.

Virgin Mountain Utilities Company, Inc.
 Annual Report
 Full time equivalent employees
 12/31/18

Full time equivalent employees

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

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.

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
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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.

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	none
---------------------------------	------

STRUCTURES:	none
--------------------	------

OTHER:	none
---------------	------

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:	Virgin Mountain Utilities
ADEQ Public Water System Number:	AZ0408173
ADWR PCC Number:	91-000356.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	72	0	0	0	0
February	72	0	0	0	0
March	72	0	0	0	0
April	72	0	0	0	0
May	74	0	0	0	0
June	75	0	0	0	0
July	75	0	0	0	0
August	75	0	0	0	0
September	75	0	0	0	0
October	76	0	0	0	0
November	76	0	0	0	0
December	76	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 (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	
--	--

\$2,964

If no property taxes paid, explain why.

0

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.

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

Verification and Sworn Statement (Taxes)

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

County of (county name): Mohave
Name (owner or official) title: Thomas G Stoddard
Company name: Virgin Mountain Utilities 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: 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.

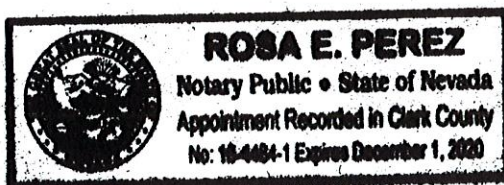
Tom Stoddard
signature of owner/official

928-347-5515
telephone no.

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

THIS 11 DAY OF Clark
(month) and (year)

MY COMMISSION EXPIRES 12/1/20
(date)



Rosa E. Perez
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name):

Mohave

Name (owner or official) title:

Thomas G Stoddard

Company name:

Virgin Mountain Utilities 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 (\$)

\$53,728

(The amount in the box above includes

\$2,185

in sales taxes

billed or collected)

Tom Stoddard
signature of owner/official

928-347-5515

telephone no.

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

Clark

(county name)

THIS

11

DAY OF

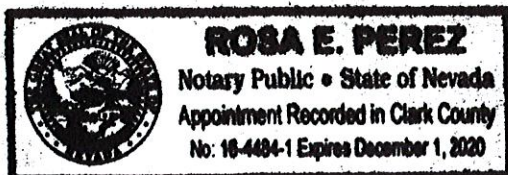
5/19

(month) and (year)

MY COMMISSION EXPIRES

12/1/20

(date)



Rosa E Perez
(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): Mohave
Name (owner or official) title: Thomas G Stoddard
Company name: Virgin Mountain Utilities 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 (\$)

\$53,728

(The amount in the box above includes

\$2,185 in sales taxes
billed or collected)

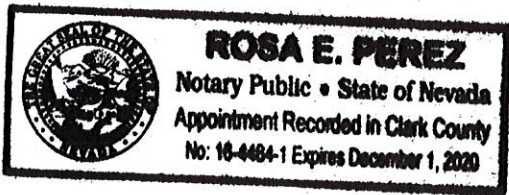
Tom Stoddard
signature of owner/official

928-347-5515
telephone no.

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

THIS 11 DAY OF 5/19
(month) and (year)

MY COMMISSION EXPIRES 12/1/20
(date)



Rosa E. Perez
(signature of notary public)