ANNUAL REPORT

| | Of | | |
|-----------------------|----|--|--|
| Berneil Water Company | | | |
| PO Box 219 | | | |

Company Name:

| Mailing Address: | Tempe | AZ | |
|---------------------|------------|----|--------------------------------|
| | 85280-0219 | | RECEIVED BY EMAIL |
| | | | 4/24/2023 11:00 AM |
| Docket No.: | W-01275A | | ARIZONA CORPORATION COMMISSION |
| For the Year Ended: | 12/31/22 | | UTILITIES DIVISION |

WATER UTILITY

То

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: | Orig | inal Filing |
|-------------------|-----------|-------------|
| Application Date: | 4/20/2023 | |

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

| For the Calendar Year E | Ended: $12/31/22$ | | | |
|-------------------------|------------------------|----------------|-------------------|-----------------|
| Primary Address: | P.O. Box 219 | | | |
| • | Tempe | | State: Arizona | Zip Code: 85280 |
| City. | Tempe | | State. Anzona | Zip Code. 85280 |
| Telephone Number: | 480-966-5804 | | | |
| Date of Original Organi | zation of Utility: | 10/23/ | 1951 | |
| Person to whom corresp | ondence should be addr | ressed concern | ning this report: | |
| | Bradley Folkman | | | |
| Telephone No. : | | | 1 | |
| Address: | P.O. Box 219 | | | |
| | Tempe | | State: Arizona | Zip Code: 85280 |
| Email: | support@arizonawaterwo | orks.com | | |
| | | | | |
| Name: | | | | |
| Telephone No. : | | | | |
| Address: | | | | |
| City: | | | State: | Zip Code: |
| Email: | | | | |
| | | | | |
| Name: | | | | |
| Telephone No. : | | | + | |
| Address: | | | | |
| City: | | | State: | Zip Code: |
| Email: | | | | |
| | | | | |
| Name: | | | | |
| Telephone No. : | | | + | |
| Address: | | | | |
| City: | | | State: | Zip Code: |
| Email: | | | State | Lip coue. |
| | | | | |
| | | | | |
| Name: | | | | |
| Telephone No. : | | | | |
| Address: | | | | |
| City: | | | State: | Zip Code: |
| Email: | | | | |
| Ownership: | "C" Corporation | |] | |
| Counties Served: | Maricopa | | 1 | |

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Berneil Water Company

Important changes during the year

No For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?

If yes, please provide specific details in the box below.

No Has the company been notified by any other regulatory authorities during the year, that they are out of compliance? If yes, please provide specific details in the box below.

| | | Utility | y Plant in Service | (Water) | | | |
|---------|--|----------------|--------------------|--------------|-------------------|--------------|---------------|
| Account | Description | Beginning Year | Current Year | Current Year | Adjusted Original | Accumulated | OCLD (OC less |
| No. | _ | Original Cost | Additions | Retirements | Cost | Depreciation | AD) |
| 301 | Organization | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 302 | Franchises | 0 | 0 | 0 | 0 | 0 | 0 |
| 303 | Land and Land Rights | 1,332 | 0 | 0 | 1,332 | 0 | 1,332 |
| 304 | Structures and Improvements | 33,960 | 0 | 0 | 33,960 | 29,711 | 4,249 |
| 305 | Collecting & Improving Reservoirs | 0 | 0 | 0 | 0 | 0 | 0 |
| 306 | Lake, River, Canal Intakes | 0 | 0 | 0 | 0 | 0 | 0 |
| 307 | Wells and Springs | 293,177 | 0 | 0 | 293,177 | 267,484 | 25,693 |
| 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 | 534,711 | 77,850 | 40,000 | 572,561 | 327,853 | 244,708 |
| 320 | Water Treatment Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| 320.1 | Water Treatment Plants | 0 | 0 | 0 | 0 | 0 | 0 |
| 320.2 | Solution Chemical Feeders | 0 | 0 | 0 | 0 | 0 | 0 |
| 320.3 | Point-of-Use Treatment Devices | 0 | 0 | 0 | 0 | 0 | 0 |
| 330 | Distribution Reservoirs and Standpipes | 0 | 0 | 0 | 0 | 0 | 0 |
| 330.1 | Storage Tanks | 282,276 | 0 | 0 | 282,276 | 249,219 | 33,057 |
| 330.2 | Pressure Tanks | 0 | 0 | 0 | 0 | 0 | 0 |
| 331 | Transmission and Distribution Mains | 983,704 | 20,898 | 0 | 1,004,602 | 918,274 | 86,328 |
| 333 | Services | 0 | 0 | 0 | 0 | 0 | 0 |
| 334 | Meters and Meter Installations | 348,887 | 24,968 | 10,000 | 363,855 | 202,041 | 161,814 |
| 335 | Hydrants | 113,668 | 0 | 0 | 113,668 | 104,788 | 8,880 |
| 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 | 5,795 | 0 | 0 | 5,795 | 3,375 | 2,420 |
| 341 | Transportation Equipment | 44,575 | 0 | 0 | 44,575 | 9,273 | 35,302 |
| 342 | Stores Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| 343 | Tools, Shop and Garage Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| 344 | Laboratory Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| 345 | Power Operated Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| 346 | Communication Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| 347 | Miscellaneous Equipment | 36,693 | 0 | 0 | 36,693 | 32,155 | 4,538 |
| 348 | Other Tangible Plant | 0 | 0 | 0 | 0 | 0 | 0 |
| | Totals | \$2,678,778 | \$123,715 | \$50,000 | \$2,752,494 | \$2,144,171 | \$608,322 |

Berneil Water Company Annual Report Depreciation Expense for the Current Year (Water) 12/31/22

| | | · · · · · · · · · · · · · · · · · · · | reciation Expense | | | | | | |
|-------------|--|---------------------------------------|-------------------|--------------|---------------|-------------------|-------------|--------------|--------------|
| Account No. | Description | Beginning Year | Current Year | Current Year | Adjusted | Fully | Depreciable | Depreciation | Depreciation |
| | | Original Cost | Additions | Retirements | Original Cost | Depreciated/Non- | Plant | Percentages | Expense |
| | | | | | | depreciable Plant | | | |
| 301 | Organization | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00% | \$0 |
| 302 | Franchises | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| 303 | Land and Land Rights | 1,332 | 0 | 0 | 1,332 | 0 | 1,332 | 0.00% | 0 |
| 304 | Structures and Improvements | 33,960 | 0 | 0 | 33,960 | 21,590 | 12,370 | 5.00% | 619 |
| 305 | Collecting & Improving Reservoirs | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 306 | Lake, River, Canal Intakes | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 307 | Wells and Springs | 293,177 | 0 | 0 | 293,177 | 240,509 | 52,668 | 5.00% | 2,633 |
| 308 | Infiltration Galleries | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 309 | Supply Mains | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 310 | Power Generation Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 311 | Pumping Equipment | 534,711 | 77,850 | 40,000 | 572,561 | 204,325 | 368,235 | 5.00% | 17,772 |
| 320 | Water Treatment Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 320.1 | Water Treatment Plants | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 320.2 | Solution Chemical Feeders | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 320.3 | Point-of-Use Treatment Devices | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 330 | Distribution Reservoirs and Standpipes | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 330.1 | Storage Tanks | 282,276 | 0 | 0 | 282,276 | 237,504 | 44,772 | 5.00% | 2,239 |
| 330.2 | Pressure Tanks | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 331 | Transmission and Distribution Mains | 983,704 | 20,898 | 0 | 1,004,602 | 646,996 | 357,606 | 5.00% | 17,358 |
| 333 | Services | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 334 | Meters and Meter Installations | 348,887 | 24,968 | 10,000 | 363,855 | 88,085 | 275,770 | 5.00% | 13,625 |
| 335 | Hydrants | 113,668 | 0 | 0 | 113,668 | 57,727 | 55,941 | 5.00% | 2,155 |
| 336 | Backflow Prevention Devices | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 339 | Other Plant and Misc. Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 340 | Office Furniture and Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 340.1 | Computer & Software | 5,795 | 0 | 0 | 5,795 | 0 | 5,795 | 5.00% | 290 |
| 341 | Transportation Equipment | 44,575 | 0 | 0 | 44,575 | 0 | 44,575 | 5.00% | 2,229 |
| 342 | Stores Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 343 | Tools, Shop and Garage Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 344 | Laboratory Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 345 | Power Operated Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| 346 | Communication Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | C |
| 347 | Miscellaneous Equipment | 36,693 | 0 | 0 | 36,693 | 15,147 | 21,545 | 5.00% | 934 |
| 348 | Other Tangible Plant | 0 | 0 | 0 | 0 | 0 | 0 | 5.00% | 0 |
| | Subtotal | \$2,678,778 | \$123,715 | \$50,000 | \$2,752,494 | \$1,511,884 | \$1,240,609 | | \$59,852 |

Contribution(s) in Aid of Construction (Gross) Less: Non Amortizable Contribution(s) Fully Amortized Contribution(s) Amortizable Contribution(s) Times: Proposed Amortization Rate Amortization of CIAC \$263,892 0 106,634 **\$157,258** 5.00% \$7,863

Less: Amortization of CIAC \$7,863

DEPRECIATION EXPENSE \$51,989

Berneil Water Company Annual Report Balance Sheet Assets 12/31/22

| | Balance Sheet Assets | | |
|-------------|---|---|----------------------------------|
| | Assets | Balance at Beginning of Year (2022) | Balance at End of Year (2022) |
| Account No. | Current and Accrued Assets | | |
| 131 | Cash | \$30,574 | \$38,851 |
| 134 | Working Funds | 0 | 0 |
| 135 | Temporary Cash Investments | 0 | 0 |
| 141 | Customer Accounts Receivable | 0 | 0 |
| 146 | Notes Receivable from Associated Companies | 139,500 | 139,500 |
| 151 | Plant Material and Supplies | 0 | 0 |
| 162 | Prepayments | 0 | 0 |
| 174 | Miscellaneous Current and Accrued Assets | 0 | 0 |
| | Total Current and Accrued Assets | \$170,074 | \$178,351 |
| Account No. | Fixed Assets | | |
| 101 | Utility Plant in Service* | \$2,678,778 | \$2,752,494 |
| 103 | Property Held for Future Use | 0 | 0 |
| 105 | Construction Work in Progress | 0 | 0 |
| 108 | Accumulated Depreciation (enter as negative)* | (2,133,945) | (2,144,171) |
| 121 | Non-Utility Property | 44,099 | 44,099 |
| 122 | Accumulated Depreciation - Non Utility | 0 | 0 |
| | Total Fixed Assets | \$588,932 | \$652,421 |
| | Total Assets | \$759,006 | \$830,772 |

*Note these items feed automatically from AR3 UPIS Page 4

Berneil Water Company Annual Report Balance Sheet Liabilities and Owners Equity

| | Balance Sheet Liabilities and Ow Liabilities | Balance at Beginning of Year (2022) | Balance at End of Year (2022) |
|-------------|---|--|----------------------------------|
| Account No. | Current Liabilities | | |
| 231 | Accounts Payable | (\$51,584) | \$1,034 |
| 232 | Notes Payable (Current Portion) | 0 | 0 |
| 234 | Notes Payable to Associated Companies | 0 | 0 |
| 235 | Customer Deposits | 1,759 | 1,611 |
| 236 | Accrued Taxes | 0 | 0 |
| 237 | Accrued Interest | 0 | 0 |
| 242 | Miscellaneous Current and Accrued Liabilities | 0 | 0 |
| | Total Current Liabilities | (\$49,825) | \$2,644 |
| | 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 | 263,892 | 263,892 |
| 272 | Less: Amortization of Contributions | (237,922) | (245,785) |
| 281 | Accumulated Deferred Income Tax | 0 | 0 |
| | Total Deferred Credits | \$25,970 | \$18,107 |
| | Total Liabilites | (\$23,854) | \$20,752 |
| | Capital Accounts | | |
| 201 | Common Stock Issued | \$25,000 | \$25,000 |
| 211 | Other Paid-In Capital | 0 | 0 |
| 215 | Retained Earnings | 757,861 | 785,020 |
| 218 | Proprietary Capital (Sole Props and Partnerships) | 0 | 0 |
| | Total Capital | \$782,861 | \$810,020 |
| | Total Liabilities and Capital | \$759,006 | \$830,772 |

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

Berneil Water Company Annual Report Water Comparative Income Statement 12/31/22

| Account No. | Calendar Year | Current Year | Last Year |
|-------------|--|-------------------------|-------------------------|
| Account No. | Calcildar Tear | 01/01/2022 - 12/31/2022 | 01/01/2021 - 12/31/2021 |
| | Operating Revenue | 01/01/2022 - 12/31/2022 | 01/01/2021 - 12/31/202 |
| 461 | Metered Water Revenue | \$715,306 | \$728,34 |
| 460 | Unmetered Water Revenue | 0 | \$720,51 |
| 462 | Fire Protection Revenue | 0 | |
| 469 | Guaranteed Revenues (Surcharges) | 0 | |
| 409 | Miscellaneous Service Revenues | 0 | |
| 474 | Other Water Revenue | 31,653 | 9,61 |
| 4/4 | Total Revenues | \$746,959 | \$737,95 |
| | Total Revenues | φ/+0,555 | φτοτ., |
| | Operating Expenses | | |
| 601 | Salaries and Wages | \$28,760 | \$55,80 |
| 604 | Employee Pensions and Benefits | 22,293 | 48,20 |
| 610 | Purchased Water | 133,013 | 89,85 |
| 615 | Purchased Power | 115,079 | 124,48 |
| 618 | Chemicals | 4,938 | 5,30 |
| 620 | Materials and Supplies | 24,940 | 24,33 |
| 620.1 | A 4 | 0 | 24,33 |
| 620.1 | Repairs and Maintenance Office Supplies and Expense | 0 | |
| 630 | Contractual Services | 276,629 | 286,86 |
| 631 | Contractual Services - Engineering | 0 | 200,00 |
| 632 | | 0 | |
| | Contractual Services - Accounting | 0 | |
| 633 | Contractual Services - Legal | 0 | |
| 634 | Contractual Services - Management Fees | - | 2.92 |
| 635 | Contractual Services - Water Testing | 4,009 | 2,83 |
| 636 | Contractual Services - Other | 0 | |
| 640 | Rents | 0 | |
| 641 | Rental of Building/Real Property | 0 | |
| 642 | Rental of Equipment | 0 | |
| 650 | Transportation Expenses | 10,081 | 7,47 |
| 657 | Insurance - General Liability | 6,569 | 7,56 |
| 657.1 | Insurance - Health and Life | 0 | |
| 665 | Regulatory Commission Expense - Rate | 0 | |
| 670 | Bad Debt Expense | 2,914 | 4,62 |
| 675 | Miscellaneous Expense | 0 | |
| 403 | Depreciation Expense (From Schedule AR4) | 51,989 | 49,39 |
| 408 | Taxes Other Than Income | 38,212 | 28,86 |
| 408.11 | Property Taxes | 0 | |
| 409 | Income Taxes | 0 | 5 |
| 427.1 | Customer Security Deposit Interest | 0 | |
| | Total Operating Expenses | \$719,425 | \$735,65 |
| | Operating Income / (Loss) | \$27,534 | \$2,30 |
| | Other Income / (Expense) | | |
| 419 | Interest and Dividend Income | \$0 | \$ |
| 419 | Non-Utility Income | 0 | Υ |
| 421 | Miscellaneous Non-Utility (Expense) | 0 | |
| 426 | | 0 | |
| 427 | Interest (Expense) Total Other Income / (Expense) | <u>\$0</u> | \$ |
| | Total Other Income / (Expense) | " •0 | φφ |
| | Net Income / (Loss) | \$27,534 | \$2,30 |

Berneil Water Company Annual Report Full time equivalent employees 12/31/22

Full time equivalent employees

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

Berneil Water Company Annual Report Supplemental Financial Data (Long-Term Debt) 12/31/22

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

Meter Deposit Balance at Test Year End: \$1,611

Meter Deposits Refunded During the Test Year:

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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.

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Berneil Water Company Annual Report Well and Water Usage

12/31/22

| | | | | Well and Wate | er Usage | | | | | | |
|------------------------|-----------------|------------------|----------------|-----------------|-------------|---------|-------------|-------------|------------|-----------|--------|
| Name of the System: | | BERNEIL WATER | R COMPANY | | | | | | | | |
| ADEQ Public Water Sys | stem Number: | | AZ0407008 | | | | - | | | | |
| ADWR PCC Number: | | | 91-000183.0000 | | | | | | | | |
| Well registry 55# (55- | | | Casing Depth | Casing Diameter | Pump Motor | Year | Water level | Water level | Meter Size | How | |
| XXXXXX): | Pump Horsepower | Pump Yield (gpm) | (feet) | (inches) | Type ** | Drilled | 2012 | 2022 | (inches) | measured: | Active |
| 55-554073 | 125 | 600 | 1,215 | 16 | Submersible | 350 | n/a | n/a | 6 | Metered | Yes |
| 55-627600 | 350 | 1,400 | 1,398 | 24 | Line Shaft | 1968 | n/a | n/a | 8 | Metered | Yes |
| 55-609543 | | | 855 | 16 | | 1969 | | | | N/A | No |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | | | | N/A | N/A |
| | | | | | | | - | | | | |
| Name of system water d | elivered to: | | | | | | J | | | | |
| ADWR PCC Number: | | | | | | | | | | | |

ADWR PCC Number: Source of water delivered to another system

| Name of system water received from: | CITY OF S | COTTSDALE | |
|-------------------------------------|-----------|----------------|--|
| ADWR PCC Number: | | 91-000227.0000 | |
| Source of water received | NA | | |
| Well registry 55# (55-XXXXXX): | N/A | | |

| Totals | 476,761,100.00 | 436,286,529.00 | 0.00 | 5,300,000.00 | 0.00 | \$120,267 | 1,193,400 |
|-----------|-----------------|----------------|--------------------|------------------|----------------|----------------------|--------------------|
| December | 21,546,800.00 | 20,185,460.00 | | | | 5,187 | 44,792 |
| November | 30,340,000.00 | 33,739,133.00 | | | | 9,398 | 91,972 |
| October | 44,064,100.00 | 42,686,087.00 | | | | 9,858 | 97,204 |
| September | 44,278,300.00 | 43,010,997.00 | | | | 9,973 | 98,074 |
| August | 56,008,500.00 | 45,798,693.00 | | 5,300,000.00 | | 10,504 | 104,728 |
| July | 59,408,200.00 | 56,999,651.00 | | | | 12,969 | 133,226 |
| June | 59,059,200.00 | 47,645,963.00 | | | | 14,041 | 145,485 |
| May | 38,290,000.00 | 43,103,131.00 | | | | 11,584 | 116,593 |
| April | 39,986,000.00 | 30,825,821.00 | | | | 10,452 | 103,892 |
| March | 30,050,000.00 | 28,229,838.00 | | | | 9,746 | 95,927 |
| February | 23,960,000.00 | 21,818,577.00 | | | | 8,738 | 84,087 |
| January | 29,770,000.00 | 22,243,178.00 | | | | \$7,817 | 77,420 |
| Month | (gallons)1 | (gallons)2 | systems (gallons)3 | (gallons)4 | (gallons)5 | Expense ⁶ | (kWh) ⁷ |
| | Water withdrawn | Water sold | (sold) to other | other systems | authorized use | Power | Power |
| | | | Water delivered | (purchased) from | Estimated | Purchased | Purchased |
| | | | | Water received | | | |

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

 Water withdrawn - Total gallons of water withdrawn from pumped sources.
 Water sold - Total gallons from customer meters, and other sales such as construction water.
 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
 Stimated 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,
 Stimated authorized user stimated in the state of the system services and hydrants and by 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.

Berneil Water Company Annual Report Water Utility Plant Description 12/31/22

| Water Utility Plant Description | | | |
|----------------------------------|-----------------------|--|--|
| Name of the System: | BERNEIL WATER COMPANY | | |
| ADEQ Public Water System Number: | AZ0407008 | | |
| ADWR PCC Number: | 91-000183.0000 | | |

| | MAINS | | |
|----------------|----------|---------------|--|
| | | | |
| Sizes (inches) | Material | Length (feet) | |
| 4.00 | PVC | 630 | |
| 6.00 | PVC | 53,210 | |
| 8.00 | PVC | 4,150 | |
| 4.00 | ACP | 3,650 | |
| 6.00 | ACP | 28,290 | |
| 6.00 | DIP | 6,280 | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

| SERVICE LINES | | | |
|---------------|--|-------------------|-------------------|
| | | | Year installed |
| Material | | Percent of system | installed |
| Copper | | 100% | Varies |
| | | | |
| | | | |
| | | | |
| | | | |

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

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

| CUSTOMER METERS | | | |
|-----------------|----------|-------------------|--------------|
| | | Percent over | Percent over |
| Size (inches) | Quantity | 1,000,000 gallons | 10 years old |
| 1 | 497 | | 65% ** |
| 1.5 | 21 | | n/a |
| Compound 4 | 3 | | n/a |
| Turbine 6 | 2 | | n/a |
| 6+ | 1 | | n/a |
| | | | |
| | | | ** estimated |
| | | | |
| | | | |
| - | | | |
| - | | | |
| - | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

| FIRE HYDRANTS | |
|---------------|----------|
| Туре | Quantity |
| Standard * | 98 |
| Other | |

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

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)

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

| TREATMENT EQUIPMENT: | Gas Chlorinators |
|-------------------------|--|
| STRUCTURES: | Block Fences |
| OTHER: | System interconnection with City of Scottsdale |

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 If no historical flow data are available, use:
 (b) If no historical flow data are available, use:
- (b) ERC = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

| ERC | 2,325 |
|--------------|-------|
| Method used: | (a) |

Berneil Water Company Annual Report Customer and Other Information 12/31/22

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

| | | Nu | mber of Customers | 3 | |
|--|--|---|---|-----------------------------------|-------------|
| | | | | | Other Non- |
| Month | Single-Family | Multi-Family | Commercial | Turf/Irrigation | Residential |
| lanuary | 513 | 0 | 3 | 9 | 0 |
| February | 513 | 0 | 3 | 9 | 0 |
| March | 513 | 0 | 3 | 9 | 0 |
| April | 513 | 0 | 3 | 9 | 0 |
| May | 513 | 0 | 3 | 9 | 0 |
| une | 514 | 0 | 3 | 9 | 0 |
| uly | 514 | 0 | 3 | 9 | 0 |
| August | 514 | 0 | 3 | 9 | 0 |
| September | 514 | 0 | 3 | 9 | 0 |
| October | 515 | 0 | 3 | 9 | 0 |
| November | 513 | 0 | 3 | 9 | 0 |
| December | 514 | 0 | 3 | 9 | 0 |
| If the system ha | as fire hydrants, what is | the fire flow requi | rements? | 500 | GPM for 1 h |
| Does the syster Does the Comp If yes, provide Is the Water Ut | n have chlorination treat pany have an ADWR Ga the GPCPD amount: tility located in an ADW | ment? llons Per Capita Po | er Day (GCPCPD)] | Yes | No Yes |
| Does the syster Does the Comp If yes, provide Is the Water Ut If yes, which A What is the pre | n have chlorination treat pany have an ADWR Ga the GPCPD amount: tility located in an ADW | ment? Ilons Per Capita Pe R Active Manager capacity (in ERCs | er Day (GCPCPD) nent Area (AMA)? *) using existing li | Yes requirement? ? ines? | No |

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

Berneil Water Company Annual Report Utility Shutoffs / Disconnects 12/31/22

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

| | | Termination with | |
|-----------|---------------------|------------------|-------|
| Month | Termination without | Notice R14-2- | |
| | Notice R14-2-410.B | 410.C | Other |
| January | 0 | 0 | 0 |
| February | 0 | 0 | 0 |
| March | 0 | 0 | 0 |
| April | 0 | 0 | 0 |
| May | 0 | 0 | 0 |
| June | 0 | 0 | 0 |
| July | 0 | 0 | 0 |
| August | 0 | 0 | 0 |
| September | 0 | 0 | 0 |
| October | 0 | 0 | 0 |
| November | 0 | 0 | 0 |
| December | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

Other (description):

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Property Taxes Amount of actual property taxes paid during Calendar Year 2022 was \$16,388

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.

Berneil Water Company Annual Report Verification and Sworn Statement (Taxes) 12/31/22

| | | Verification and Sworn Statement (Taxes) | |
|------------------|---|--|---|
| Verification: | | e name) | |
| | County of (county name): Name (owner or official) tit Company name: | Maricopa Bradley Folkman Berneil Water Company | |
| | DO SAY THAT THIS AND CORPORATION COMMIS | JAL UTILITY PROPERTY TAX AND SALES TAX RE SION. | PORT TO THE ARIZONA |
| | FOR THE YEAR ENDING | 12/31/22 | |
| | UTILITY; THAT I HAVE CORRECT STATEMENT | DER MY DIRECTION, FROM THE ORIGINAL BOOK AREFULLY EXAMINED THE SAME, AND DECLARI F BUSINESS AND AFFAIRS OF SAID UTILITY FOR EACH AND EVERY MATTER AND THING SET FOR IEF. | THE SAME TO BE A COMPLETE AND THE PERIOD COVERED BY THIS |
| | | | |
| 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 CUR | RENT AND PAID IN FULL. |
| | | signature | of owner/official |
| | | | -966-5804 phone no. |
| | | SUBSCRIBED AND SWORN TO BEFORE ME A NOT IN AND FOR THE COUNTY | Maricola |
| | | THIS <u>21³⁴</u> D | AY OF $A_{20.1, 2025}$ (month) and (year) |
| | | MY COMMISSION EXPIRES | $\frac{\frac{1}{23}}{\frac{1}{232}}$ (month) and (year) |
| My C | Verdell Tacheney Notary Public Maricopa, Arizona Comm. Expires 11/20/2026 commission No. 640009 | | signature of notary public) |

Berneil Water Company Annual Report Verification and Sworn Statement 12/31/22

| × | Ve | erification and Sworn Statement |
|---------|--|--|
| Verific | State of Arizona (state name) | I, the undersigned of the |
| | County of (county name): | Maricopa |
| | Name (owner or official) title: | Bradley Folkman |
| | | il Water Company |
| | · · · · · · · · · · · · · · · · · · · | |
| | CORPORATION COMMISSION. | LITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA |
| | FOR THE YEAR ENDING: | 12/31/22 |
| | 아이가 이렇게 한 것을 했다. | 방수는 것은 영상이에서 물건을 가려서 가지 않는다. |
| | IHAS BEEN PREPARED UNDER MY | DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SA |
| | HAS BEEN PREPARED UNDER MY UTILITY: THAT I HAVE CAREFUL | DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SALLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE |
| | HAS BEEN PREPARED UNDER MY UTILITY: THAT I HAVE CAREFUL AND CORRECT STATEMENT OF B | DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SALLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY |
| | HAS BEEN PREPARED UNDER MY UTILITY: THAT I HAVE CAREFUL AND CORRECT STATEMENT OF B | T DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAILY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY CH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY |

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 Gr | oss Operating Revenues Only (S |) |
|-----------------------------|--------------------------------|---|
| And South And States of the | \$812,413 | |
| (The amount in the bo | x above includes | |
| 5 4 C 26 M 19 1 1 | \$65,454 in sales taxes | |
| billed or collected) | Section Company | |

signature of owner/official

480-966-5804 telephone no.

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

54

(county name) DAY OF

(month) and (year)

MY COMMISSION EXPIRES

THIS

2024

(signature of notary public)



Verdell Tacheney Notary Public Maricopa, Arizona My Comm. Expires 11/20/2026 Commission No. 640009 Berneil Water Company Annual Report Verification and Sworn Statement (Residential Revenue) 12/31/22

| Verification | and Sworn Statement (Residential Revenue) |
|--|---|
| Verification: State of Arizo (state no | |
| County of (county name): Name (owner or official) title: Company name: | Maricopa Bradley Folkman Berneil Water Company |
| DO SAY THAT THIS ANNUA CORPORATION COMMISSIO | AL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA DN. |
| FOR THE YEAR ENDING: | 12/31/22 |
| OF SAID UTILITY; THAT I H BE A COMPLETE AND COR PERIOD COVERED BY THIS | DER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS IAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO RECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE S REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET IY KNOWLEDGE, INFORMATION AND BELIEF. |
| REVISED STATUTES, IT IS F UTILITY DERIVED FROM A | E REQUIREMENTS OF TITLE 40, ARTICLE 8. SECTION 40-401, ARIZONA HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID RIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM 5 DURING THE CALENDAR YEAR WAS: |
| Arizona Intrasta | the Gross Operating Revenues Only (\$) \$811,306 (The amount in the box above includes \$65,352 in sales taxes billed or collected) |
| | signature of owner official 480-966-5804 telephone no. |
| | SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY <u>Macico 25</u> (county name) |
|) | THIS 21^{s+} DAY OF $\frac{49 \times 1.2323}{(month) \text{ and (year)}}$ |
| Verdell Tacheney Notary Public Marlcopa, Arizona My Comm. Expires 11/20/2026 Commission No. 640009 | MY COMMISSION EXPIRES <u>11/20/2024</u> (date) (signature of notary public) |