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UTILITIES DIVISION

2023 MAY 17 A 9:39

ARIZONA CORPORATION
COMMISSION

ANNUAL REPORT

Of

Company Name:
PO Box 82218

Mailing Address: Bakersfield CA
93380

Docket No.: W-03510A
For the Year Ended:

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:

Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Circle City Water Company, LLC
A Class Utility

For the Calendar Year Ended:

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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

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

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

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

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

Ownership:

Counties Served:

Important changes during the year
--

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.
	NA

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.
	NA

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCI.D (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	7,928	0	0	7,928	0	7,928
304	Structures and Improvements	320,510	0	0	320,510	204,123	116,387
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	0	0	0	0	0	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	55,939	1,849	0	57,788	28,813	28,975
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	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	706	0	0	706	706	0
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	271,089	0	0	271,089	226,324	44,765
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	\$656,172	\$1,849	\$0	\$658,021	\$459,966	\$198,055

Circle City Water Company, LLC
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/22

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	\$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	7,928	0	0	7,928	0	7,928	0.00%	0
304	Structures and Improvements	320,510	0	0	320,510	6,359	314,151	3.80%	11,938
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	0	0	0	0	0	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	55,939	1,849	0	57,788	0	57,788	4.00%	2,275
320	Water Treatment Equipment	0	0	0	0	0	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	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	706	0	0	706	706	0	0.00%	0
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	271,089	0	0	271,089	594	270,495	4.02%	10,874
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	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$656,172	\$1,849	\$0	\$658,021	\$7,659	\$650,362		\$25,086

Contribution(s) in Aid of Construction (Gross) \$286,611
 Less: Non Amortizable Contribution(s) 0
 Fully Amortized Contribution(s) 6,004
 Amortizable Contribution(s) \$280,607
 Times: Proposed Amortization Rate 5.00%
Amortization of CIAC \$14,030

Less: Amortization of CIAC
DEPRECIATION EXPENSE

Circle City Water Company, LLC
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		(\$825,480)	\$133,202
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		3,428	5,224
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		101,226	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		(\$720,826)	\$138,426
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$656,172	\$658,021
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(434,879)	(459,966)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$221,293	\$198,055
	Total Assets		(\$499,533)	\$336,481

*Note these items feed automatically from AR3 UPIS Page 4

Circle City Water Company, LLC
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$119,699	\$74,247
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		14,370	17,310
236	Accrued Taxes		172	330
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		929	414
	Total Current Liabilities		\$135,170	\$92,301
	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		101,695	101,695
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		286,611	286,611
272	Less: Amortization of Contributions		(145,998)	(160,028)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$242,308	\$228,278
	Total Liabilities		\$377,478	\$320,579
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		(966,086)	(73,173)
218	Proprietary Capital (Sole Props and Partnerships)		89,075	89,075
	Total Capital		(\$877,011)	\$15,902
	Total Liabilities and Capital		(\$499,533)	\$336,481

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

Circle City Water Company, LLC
Annual Report
Water Comparative Income Statement
12/31/22

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2022 - 12/31/2022	Last Year 01/01/2021 - 12/31/2021
	Operating Revenue		
461	Metered Water Revenue	\$70,264	\$63,175
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	3,050	3,505
474	Other Water Revenue	0	(4,869)
	Total Revenues	\$73,314	\$61,811
	Operating Expenses		
601	Salaries and Wages	\$58,500	\$58,500
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	233,185
615	Purchased Power	14,950	16,195
618	Chemicals	1,023	1,088
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	334	133,432
620.2	Office Supplies and Expense	423	2,243
630	Contractual Services	0	222,531
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,130	1,130
633	Contractual Services - Legal	0	307,096
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	490	490
636	Contractual Services - Other	1,005	1,005
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	1,103	1,103
657.1	Insurance - Health and Life	0	99
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	242
675	Miscellaneous Expense	0	34,569
403	Depreciation Expense (From Schedule AR4)	11,056	10,220
408	Taxes Other Than Income	4,911	4,741
408.11	Property Taxes	1,825	1,810
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$96,750	\$1,029,679
	Operating Income / (Loss)	(\$23,436)	(\$967,868)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$1,942
421	Non-Utility Income	35	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	(162)
	Total Other Income / (Expense)	\$35	\$1,780
	Net Income / (Loss)	(\$23,401)	(\$966,088)

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	0.5	0.0	0.0	0.5
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	1.1	0.0	1.1
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.4	0.0	0.4
Accounting	0.0	0.2	0.0	0.2
Business Office	0.0	0.2	0.0	0.2
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.1	0.0	0.1
Other	0.0	0.0	0.0	0.0
Total	0.5	2.0	0.0	2.5

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	NA	NA	NA	NA
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	NA	NA	NA	NA
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$8,326
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Meter Deposits Refunded During the Test Year:	\$0
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Well and Water Usage											
Name of the System:		CIRCLE CITY WATER CO.									
ADEQ Public Water System Number:		AZ0407112									
ADWR PCC Number:		91-000232 0000									
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2012	Water level 2022	Meter Size (inches)	How measured	Active
55-625088	5	75	787	8	SUBMERSIBLE	1960	385	350	3	METERED	YES

Name of system water delivered to:	
ADWR PCC Number:	
Source of water delivered to another system	NA
Name of system water received from:	
ADWR PCC Number:	
Source of water received	NA
Well registry 55# (55-XXXXXX):	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 Expense ⁶	Purchased Power (kWh) ⁷
January	1,617,700.00	1,595,922.00	0.00	0.00	0.00		
February	1,705,200.00	1,565,516.00	0.00	0.00	0.00		
March	1,587,000.00	1,325,625.00	0.00	0.00	0.00		
April	1,857,800.00	2,154,915.00	0.00	0.00	0.00		
May	1,490,200.00	1,920,515.00	0.00	0.00	0.00		
June	1,868,200.00	1,236,550.00	0.00	0.00	0.00		
July	2,599,900.00	2,321,800.00	0.00	0.00	79,000.00		
August	1,320,200.00	1,433,110.00	0.00	0.00	0.00		
September	2,001,700.00	2,035,900.00	0.00	0.00	0.00		
October	2,306,600.00	2,175,282.00	0.00	0.00	0.00		
November	1,100,400.00	1,160,918.00	0.00	0.00	0.00		
December	1,402,800.00	1,426,880.00	0.00	0.00	0.00		
Totals	20,857,700.00	20,352,933.00	0.00	0.00	79,000.00	50	0

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

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:	CIRCLE CITY WATER CO.
ADEQ Public Water System Number:	AZ0407112
ADWR PCC Number:	91-000232.0000

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	ACP	140
2.00	PVC	1,330
4.00	ACP	200
4.00	PVC	4,230
6.00	ACP	12,085
8.00	ACP	1,000

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	267	0%	0%
0.75	1	0%	0%
1.5	1	0%	0%
2	1	0%	0%

SERVICE LINES			
Material	Percent of system	Year installed	
BLACK POLY	100%	VARIOUS	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
10	100	2	

FIRE HYDRANTS	
Type	Quantity
Standard *	1
Other	0

STORAGE TANKS				
Capacity (gallons)	Material	Quantity	Year installed	
50,000	STEEL	1	1970	
25,000	STEEL	3	2009	

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	STEEL	1	1970

* 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:	1- REGAL MODEL 13-208 CHLORINATOR
STRUCTURES:	1- PANEL WITH TIN ROOF, WELDED STEEL CONSTRUCTION WITH 6" CONCRETE LEGS, CHAIN LINK FENCE
OTHER:	1-T100G LEVEL CON REMORE MONITORING DEVICE

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
- (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	212
Method used:	(a)

Customer and Other Information	
Name of the System:	CIRCLE CITY WATER CO.
ADWQ Public Water System Number:	AZ0407112
ADWR PCC Number:	91-000232.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	264	0	0	0	0
February	264	0	0	0	0
March	263	0	0	0	0
April	266	0	0	0	0
May	262	0	0	0	0
June	264	0	0	0	0
July	266	0	0	0	0
August	248	0	0	0	0
September	268	0	0	0	0
October	250	0	0	0	0
November	265	0	0	0	0
December	272	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.

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

Circle City Water Company, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	CIRCLE CITY WATER CO.
ADEQ Public Water System Number:	AZ0407112
ADWR PCC Number:	91-000232.0000

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	5	0
April	0	3	0
May	0	0	0
June	0	9	0
July	0	3	0
August	0	6	0
September	0	2	0
October	0	4	0
November	0	1	0
December	0	0	0
Total	0	33	0

Other (description): NA

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.

Property Taxes

Amount of actual property taxes paid during Calendar Year 2022 was \$1,825

If no property taxes paid, explain why.
NA

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): COCHISE
Name (owner or official) title: DUSTIN DESPAIN, ACCOUNTANT
Company name: Circle City Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/22

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.

signature of owner/official

520-265-5350

telephone no.

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

THIS _____ DAY OF

(county name)

(month) and (year)

MY COMMISSION EXPIRES

(date)

(signature of notary public)

Verification and Sworn Statement

Verification:

State of ARIZONA I, the undersigned of the
(state name)
County of (county name): COCHISE
Name (owner or official) title: DUSTIN DESPAIN, ACCOUNTANT
Company name: Circle City Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/22

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:

RECEIVED
UTILITIES DIVISION
2023 MAY 17 A 9:39
ARIZONA CORPORATION
COMMISSION

Arizona Intrastate Gross Operating Revenues Only (\$)

\$70,264

(The amount in the box above includes

\$4,911 in sales taxes
billed or collected)

signature of owner/official

520-265-5350

telephone no.

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

Cochise

(county name)

THIS

15

DAY OF

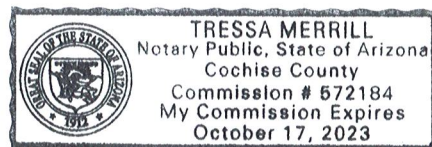
May 2023

(month) and (year)

MY COMMISSION EXPIRES

Oct 17 2023

(date)



(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): COCHISE
Name (owner or official) title: DUSTIN DESPAIN, ACCOUNTANT
Company name: Circle City Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/22

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.

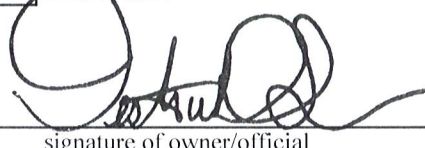
Sworn Statement:

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 (\$)

\$70,264

(The amount in the box above includes
\$4,911 in sales taxes
billed or collected)



signature of owner/official

520-265-5350

telephone no.

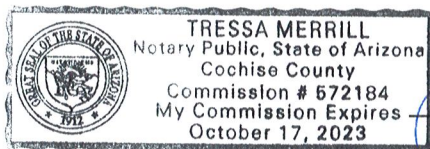
RECEIVED
UTILITIES DIVISION
2023 MAY 17 A 9:39
ARIZONA CORPORATION
COMMISSION

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

(county name)

THIS 15 DAY OF May 2023
(month) and (year)

MY COMMISSION EXPIRES Oct 17, 2023
(date)



(signature of notary public)

Full Gross-up Method for Income Tax Statement of Certification

Verification:

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

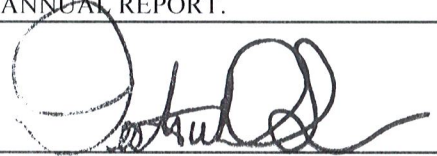
County of (county name): COCHISE
Name (owner or official) title: DUSTIN DESPAIN, ACCOUNTANT
Company name: Circle City Water Company, LLC

FOR THE YEAR ENDING: 12/31/22

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
2023 MAY 17 A 9:39
ARIZONA CORPORATION
COMMISSION



signature of owner/official

520-265-5350

telephone no.

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

Cochise

(county name)

THIS

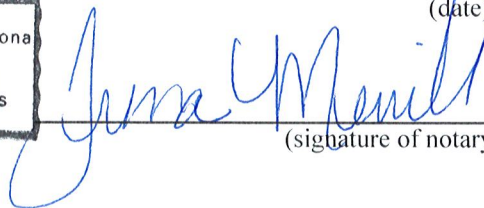
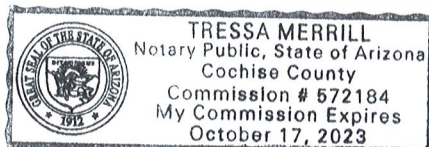
15

DAY OF

May 2023
(month) and (year)

MY COMMISSION EXPIRES

Oct 17 2023
(date)



(signature of notary public)