### ANNUAL REPORT

Of

Company Name: East Slope Water Company

6808 N Dysart Rd Ste 116

Mailing Address: Glendale AZ 85307 RY EMAIL

BY EMAIL 3/04/2023, 3:02 PM

ARIZONA CORPORATION COMMISSION

**UTILITIES DIVISION** 

Docket No.: W-01906A For the Year Ended: 12/31/22

## **WATER UTILITY**

To

Arizona Corporation Commission

#### **Due on April 15th**

Application Type: Corrected Filing

Application Date: 4/3/2023

## ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT East Slope Water Company A Class D Utility

For the Calendar Year E	Ended: $12/31/22$			
Primary Address:	6808 N Dysart Rd Ste 116			
City:	Glendale		State: Arizona	Zip Code: 85307
Telephone Number:	623-935-1100	]		
Date of Original Organi	zation of Utility:	8/26/1	985	
	ondence should be address	sed concer	ning this report:	
	Bryan Thomas			
Telephone No.:				
	6808 N Dysart Rd Ste 116		= 1	1= 1
	Glendale		State: Arizona	Zip Code: 85307
Email:	bnthomas@hearthstonecomp	pany.com		
On-Site Manager				
Name:	Mike Molina			
Telephone No.:				
Address:	PO Box 85160			
City:	Tucson		State: Arizona	Zip Code: 85754
Email:	info@southwesternutility.co	om		
Name:				
Telephone No.:			1	
Address:				
City:			State:	Zip Code:
Email:				
Name:				
Telephone No. :			†	
Address:				
City:			State:	Zip Code:
Email:				1
N	I			
Name:				
Telephone No.:				
Address:		_	Ctata	7in Cada
City:			State:	Zip Code:
Email:				
Ownership:	"C" Corporation		]	
Counties Served:	Cochise		]	

# ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT East Slope Water Company

No For thos	e companies not subject to the affiliated interest rules, has there been a change in ownership or direct control durin
year?	
If yes, p	ease provide specific details in the box below.
N/A	
I 4	
	company been notified by any other regulatory authorities during the year, that they are out of compliance?
	ease provide specific details in the box below.
N/A	

	Utility 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	\$2,180	\$0	0	\$2,180	0	\$2,180			
302	Franchises	0	0	0	0	0	0			
303	Land and Land Rights	27,811	67,854	0	95,665	0	95,665			
304	Structures and Improvements	56,745	0	0	56,745	16,333	40,412			
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	488,940	6,944	0	495,884	159,494	336,390			
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	758,963	25,705	0	784,668	560,371	224,297			
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	6,810	0	0	6,810	3,526	3,284			
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0			
330	Distribution Reservoirs and Standpipes	10,276	0	0	10,276	7,493	2,783			
330.1	Storage Tanks	470,510	0	0	470,510	73,384	397,126			
330.2	Pressure Tanks	52,810	0	0	52,810	34,401	18,409			
331	Transmission and Distribution Mains	2,247,339	433,947	0	2,681,286	481,367	2,199,919			
333	Services	55,986	110,714	0	166,700	10,147	156,553			
334	Meters and Meter Installations	91,968	47,129	0	139,097	54,400	84,697			
335	Hydrants	12,580	12,580	0	25,160	1,006	24,154			
336	Backflow Prevention Devices	0	0	0	0	0	0			
339	Other Plant and Misc. Equipment	22,654	0	0	22,654	2,266	20,388			
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	1,044	0	0	1,044	132	912			
344	Laboratory Equipment	0	0	0	0	0	0			
345	Power Operated Equipment	0	0	0	0	0	0			
346	Communication Equipment	600	0	0	600	90	510			
347	Miscellaneous Equipment	0	0	0	0	0	0			
348	Other Tangible Plant	0	0	0	0	0	0			
	Totals	\$4,307,216	\$704,873	\$0	\$5,012,089	\$1,404,410	\$3,607,679			

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

		Depi	reciation Expense	e 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	\$2,180	\$0	\$0	\$2,180	\$2,180	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	C
303	Land and Land Rights	27,811	67,854	0	95,665	95,665	0	0.00%	C
304	Structures and Improvements	56,745	0	0	56,745	0	56,745	3.33%	1,890
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%	C
307	Wells and Springs	488,940	6,944	0	495,884	60,588	435,296	3.33%	14,380
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	C
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	C
311	Pumping Equipment	758,963	25,705	0	784,668	343,960	440,708	12.50%	53,482
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	C
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	(
320.2	Solution Chemical Feeders	6,810	0	0	6,810	1,741	5,069	20.00%	1,077
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	(
330	Distribution Reservoirs and Standpipes	10,276	0	0	10,276	0	10,276	2.22%	228
330.1	Storage Tanks	470,510	0	0	470,510	0	470,510	2.22%	10,445
330.2	Pressure Tanks	52,810	0	0	52,810	0	52,810	5.00%	1,979
331	Transmission and Distribution Mains	2,247,339	433,947	0	2,681,286	143,358	2,537,928	2.00%	46,419
333	Services	55,986	110,714	0	166,700	0	166,700	3.33%	3,708
334	Meters and Meter Installations	91,968	47,129	0	139,097	14,939	124,158	8.33%	8,379
335	Hydrants	12,580	12,580	0	25,160	0	25,160	2.00%	377
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	(
339	Other Plant and Misc. Equipment	22,654	0	0	22,654	0	22,654	6.67%	1,510
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	(
340.1	Computer & Software	0	0	0	0	0	0	0.00%	(
341	Transportation Equipment	0	0	0	0	0	0	0.00%	(
342	Stores Equipment	0	0	0	0	0	0	0.00%	(
343	Tools, Shop and Garage Equipment	1,044	0	0	1,044	0	1,044	5.00%	52
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	(
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	(
346	Communication Equipment	600	0	0	600	0	600	10.00%	60
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	(
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	(
	Subtotal	\$4,307,216	\$704,873	\$0	\$5,012,089	\$662,431	\$4,349,658		\$143,987

 Contribution(s) in Aid of Construction (Gross)
 \$311,908

 Less: Non Amortizable Contribution(s)
 0

 Fully Amortized Contribution(s)
 287,707

 Amortizable Contribution(s)
 \$24,201

 Times: Proposed Amortization Rate
 3.54%

 Amortization of CIAC
 \$857

Less: Amortization of CIAC \$857

DEPRECIATION EXPENSE \$143,130

East Slope 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	\$69,660	\$5,523
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	1,544	16,427
146	Notes Receivable from Associated Companies	0	(13,543)
151	Plant Material and Supplies	0	0
162	Prepayments	9,647	17,447
174	Miscellaneous Current and Accrued Assets	199,739	623,284
	Total Current and Accrued Assets	\$280,590	\$649,138
Account No.	Fixed Assets		
101	Utility Plant in Service*	\$4,307,216	\$5,012,089
103	Property Held for Future Use	508,855	0
105	Construction Work in Progress	6,669	17,890
108	Accumulated Depreciation (enter as negative)*	(1,260,423)	(1,404,410)
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility	0	0
	Total Fixed Assets	\$3,562,317	\$3,625,569
	Total Assets	\$3,842,907	\$4,274,707

\*Note these items feed automatically from AR3 UPIS Page 4

East Slope Water Company Annual Report Balance Sheet Liabilities and Owners Equity

	Balance Sheet Liabilities and Ow	vners Equity	
	Liabilities	Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities		
231	Accounts Payable	\$13,941	\$73,099
232	Notes Payable (Current Portion)	0	0
234	Notes Payable to Associated Companies	0	60,951
235	Customer Deposits	26,943	25,865
236	Accrued Taxes	16,469	16,585
237	Accrued Interest	0	0
242	Miscellaneous Current and Accrued Liabilities	1,368	1,326
	Total Current Liabilities	\$58,721	\$177,826
	Long Term Debt		
224	Long Term Debt (Notes and Bonds)	\$1,606,587	\$1,542,809
	Deferred Credits		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	1,618,418	1,604,519
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	311,908	311,908
272	Less: Amortization of Contributions	(288,135)	(288,992)
281	Accumulated Deferred Income Tax	0	374,327
	Total Deferred Credits	\$1,642,191	\$2,001,762
	Total Liabilites	\$3,307,499	\$3,722,397
	Capital Accounts		
201	Common Stock Issued	\$100	\$100
211	Other Paid-In Capital	97,153	97,153
215	Retained Earnings	438,155	455,057
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	Total Capital	\$535,408	\$552,310
	Total Liabilities and Capital	\$3,842,907	\$4,274,707

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

4 .37	Water Comparative		T . T
Account No.	Calendar Year	Current Year	Last Year
		01/01/2022 - 12/31/2022	01/01/2021 - 12/31/2021
4.61	Operating Revenue	¢472.750	\$470.764
461	Metered Water Revenue	\$473,750	\$470,764
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	144.244	142.160
469	Guaranteed Revenues (Surcharges)	144,244	142,160
471	Miscellaneous Service Revenues	11,359	10,039
474	Other Water Revenue	0 (20 272	0
	Total Revenues	\$629,353	\$622,963
	Operating Expenses		4.0
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	88,878	79,255
618	Chemicals	104	375
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	17,546	20,663
620.2	Office Supplies and Expense	8,394	4,740
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	1,800
632	Contractual Services - Accounting	1,465	743
633	Contractual Services - Legal	980	2,002
634	Contractual Services - Management Fees	220,179	214,988
635	Contractual Services - Water Testing	7,170	6,245
636	Contractual Services - Other	5,300	15,128
640	Rents	0	0
641	Rental of Building/Real Property	1,337	1,146
642	Rental of Equipment	0	0
650	Transportation Expenses	8,050	7,800
657	Insurance - General Liability	8,757	3,063
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	1,373	8,730
675	Miscellaneous Expense	3,401	1,144
403	Depreciation Expense (From Schedule AR4)	143,130	131,218
408	Taxes Other Than Income	0	0
408.11	Property Taxes	27,450	27,723
409	Income Taxes	5,880	5,895
427.1	Customer Security Deposit Interest	498	641
74/.1	Total Operating Expenses	\$549,892	\$533,299
	Total Operating Expenses	\$347,072	\$333,477
	Operating Income / (Loss)	\$79,461	\$89,664
	Operating income / (Luss)	ψ17,701	ψυ / , υυ τ
	Other Income / (Expense)		
419	Interest and Dividend Income	\$15,733	\$16,429
		3,573	1,268
421	Non-Utility Income	3,3/3	_
426	Miscellaneous Non-Utility (Expense)	V	(00.270
427	Interest (Expense)	(88,371)	(90,379
	Total Other Income / (Expense)	(\$69,065)	(\$72,682
	Not Income / (Loss)	\$10,396	\$16,982
	Net Income / (Loss)	\$10,390	\$10,982

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

## Full time equivalent employees

	Direct Company	Allocated	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	difficult to	0.0
System Operator(s)	0.0	0.0	determine	0.0
Meter reader	0.0	0.0	without	0.0
Customer Service	0.0	0.0	significant	0.0
Accounting	0.0	0.0	analysis	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	0.0

East Slope 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	3/6/2017								
Source of Loan	CoBank								
ACC Decision No.	75923								
Reason for Loan	Refi/improvements	}							
Dollar Amt. Issued	\$1,840,246								
Amount Outstanding	\$1,542,809								
Date of Maturity	3/20/2038								
Interest Rate	5.44% & 5.87%								
Current Year Interest	\$88,371								
Current Year Principal	\$63,778								

Meter Deposit Balance at Test Year End:	\$9,003		
			_
Meter Deposits Refunded During the Test Year	r:	\$1,284	

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.

East Slope Water Company Annual Report Well and Water Usage 12/31/22

ī				Well and Wate	or Heago						
Name of the System:		EAST SLOPE WA	TER - WEST	wen and wat	ei Usage						
ADEQ Public Water Syst	em Number	ERST SECTE WIT	AZ0402094								
ADWR PCC Number:	em i tamber.		91-000069,0000								
Well registry 55# (55-			Casing Depth	Casing Diameter	Pump Motor		Water level		Meter Size	How	
XXXXXX):	Pump Horsepower	Pump Yield (gpm)	(feet)	(inches)	Type **	Year Drilled	2010	2022	(inches)	measured:	Active
55-805791 Well 4IN	1.5	20	120	8	Submersible	1966	28	29	1	Metered	Yes
55-805792 Well 3IN	1.5	20	120	8	Submersible	1967	37	38	2	Metered	No
55-805790 Well 2IN	1	20	55	8	Submersible	1970	11	11	1	Metered	Yes
55-632904 Well 3AR	30	300	400	10	Submersible	1979	110	111	3	Metered	Yes
55-208555 Well 5AR	20	65	400	8	Submersible	2005	120	120	3	Metered	Yes

Name of system water delivered to:			
ADWR PCC Number:			
Source of water delivered to another system			
Name of system water received from:	EAST SLOPE WA	TER COMPANY	

ADWR PCC Number:
Source of water received
Well registry 55# (55-XXXXXX): 91-000046.0000 Ground Water Multiple

				Water received			
			Water delivered	(purchased) from	Estimated	Purchased	Purchased
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Power	Power
Month	(gallons)1	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense <sup>6</sup>	$(kWh)^7$
January	2,265,752.00	1,670,770.00	0.00	0.00	5,000.00	\$2,087	10,380
February	1,897,990.00	1,707,310.00	0.00	0.00	0.00	2,006	9,970
March	2,238,993.00	1,706,540.00	0.00	0.00	0.00	2,329	12,111
April	2,907,242.00	2,299,350.00	0.00	0.00	0.00	2,745	15,438
May	3,515,142.00	2,854,940.00	0.00	0.00	0.00	3,262	19,950
June	4,213,585.00	3,435,530.00	0.00	0.00	0.00	3,915	25,287
July	4,741,732.00	3,210,510.00	0.00	0.00	0.00	3,486	20,771
August	2,968,473.00	2,768,440.00	0.00	0.00	0.00	3,462	19,162
September	1,821,555.00	1,693,420.00	0.00	0.00	0.00	3,727	20,466
October	2,409,380.00	2,034,810.00	0.00	0.00	0.00	3,263	16,263
November	2,547,918.00	2,044,705.00	0.00	0.00	0.00	3,319	16,096
December	2,683,428.00	1,971,495.00	0.00	0.00	0.00	3,197	14,868
Totals	34,211,190.00	27,397,820.00	0.00	0.00	5,000.00	\$36,800	200,762

If applicable, in the space below please provide a description for all un-metered water use along with amounts:						
Flushing = 5000 gallons						

- 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.

East Slope Water Company Annual Report Well and Water Usage 12/31/22

				Well and V	Vater Usage						
Name of the System:		EAST SLOPE WAT	TER COMPANY								
ADEQ Public Water Syst	em Number:		AZ0402028				•				
ADWR PCC Number:			91-000046.0000								
Well registry 55# (55-			Casing Depth	Casing Diameter	Pump Motor		Water level	Water level	Meter Size	How	
XXXXXX):	Pump Horsepower	Pump Yield (gpm)	(feet)	(inches)	Type **	Year Drilled	2010	2022	(inches)	measured:	Active
55-805786 Well 1	25	25	549	8	Submersible	1964	391	392	3	Metered	Yes
55-805787 Well 2	5	20	560	8	Submersible	1963	360	361	3	Metered	Yes
55-805788 Well 3	7.5	90	620	12	Submersible	1971	408	409		Metered	Yes
55-805789 Well 4	60		802	10	Submersible	1977	408	409	4	Metered	Yes
55-551665 Well 8	1	10	210	6	Submersible	1995	55	56	1	Metered	Yes
55-575955 Well 1R	5	40	402	8	Submersible	1999	91	92		Metered	Yes
55-575958 Well 2R	30		401	8	Submersible	2000	102	103		Metered	Yes
55-596646 Well 3R	3	20	510	8	Submersible	2003	61	62		Metered	Yes
55-211155 Well 4R	3	50	1,000	8	Submersible	2006	105	106	2	Metered	No

Name of system water delivered to:	EAST SLOPE WATER - WEST			
ADWR PCC Number:		91-000069.0000		
Source of water delivered to another system	Ground Water		•	

Name of system water received from:			
ADWR PCC Number:			
Source of water received			•
Well registry 55# (55-XXXXXX):			

				Water received			
			Water delivered	(purchased) from	Estimated		
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Purchased Power	Purchased
Month	(gallons)1	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense <sup>6</sup>	Power (kWh) <sup>7</sup>
January	6,277,640.00	4,457,138.00	0.00	0.00	5,000.00	\$4,118	28,206
February	4,525,680.00	4,278,372.00	0.00	0.00	0.00	3,890	25,855
March	4,222,830.00	3,580,641.00	0.00	0.00	0.00	3,497	22,693
April	5,621,640.00	4,716,811.00	0.00	0.00	0.00	4,112	23,644
May	7,186,680.00	6,100,848.00	0.00	0.00	0.00	4,935	29,689
June	8,140,150.00	6,915,395.00	0.00	0.00	0.00	5,540	33,243
July	7,438,580.00	5,739,027.00	0.00	0.00	0.00	4,621	25,241
August	8,009,570.00	6,073,850.00	0.00	0.00	0.00	5,913	35,577
September	5,360,155.00	4,183,072.00	0.00	0.00	0.00	4,324	22,461
October	6,702,295.00	4,426,154.00	0.00	0.00	0.00	4,177	21,210
November	5,507,830.00	4,204,671.00	0.00	0.00	0.00	4,023	20,473
December	4,915,600.00	3,049,736.00	0.00	0.00	0.00	4,108	20,422
Totals	73,908,650,00	57,725,715,00	0.00	0.00	5,000,00	\$53,257	308,714

If applicable, in the space below please provide a description for all un-metered water use along with amounts:							
Flushing = 5000 gallons							

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	gallons	of water	withdrawn	from	pumped sour	ces.

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.

#VALUE!
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.

East Slope Water Company Annual Report Water Utility Plant Description 12/31/22

Water Utility Plant Description						
Name of the System: EAST SLOPE WATER - WEST						
ADEQ Public Water System Number:	•	AZ0402094				
ADWR PCC Number:		91-000069.0000				

	MAINS							
Sizes (inches)	Material	Length (feet)						
2.00	PVC	2,000						
3.00	AC/PVC	10,000						
4.00	AC/PVC	16,426						
6.00	PVC	16,214						
8.00	PVC	100						

SERVICE LINES							
		Year					
Material	Percent of system	installed					
Copper	25%	1970s					
PVC	25%	1970s					
Black poly	50%	1970s					

CUSTOMER METERS									
		Percent over	Percent over						
Size (inches)	Quantity	1,00,000 gallons	10 years old						
5/8 X 3/4	250	62%	52%						
0.75	2	0%	0%						
1	4	100%	0%						

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
2	40	1	
5	100	2	
30	300	2	

STORAGE TANKS				
			Year	
Capacity (gallons)	Material	Quantity	installed	
17,000	Steel	1	1975-80	
12,000	Steel	1	2005	
100,000	Steel	1	2020	

FIRE HYDRANTS		
Type Quantity		
0		
0		

PRESSURE/BLADDER TANKS			
Capacity			
(gallons)	Material	Quantity	Year installed
20	Steel/rubber	1	2019
85	Steel/rubber	2	2005
85	Steel/rubber	3	2019
1,000	Steel	2	2006 & 2015
4,000	Steel	1	1975-80

\* 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 (C
------------------------------------

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

TREATMENT EQUIPMENT:	1 chlorinator
STRUCTURES:	Chain link fence around all sites.
	N/A
OTHER:	IVA

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

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 If no historical flow data are available, use:
- (b) ERC = ( Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day )

ERC 292 Method used: (a) East Slope Water Company Annual Report Water Utility Plant Description 12/31/22

Water Utility Plant Description			
Name of the System:	EAST SLOPE WATER COMPANY		
ADEQ Public Water System Number:	AZ0402028		
ADWR PCC Number:	91-000046.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	28,00
3.00	AC/PVC	16,00
4.00	AC/PVC	97,00
4.00	PVC	81
4.00	RSP/PVC	11,89
6.00	AC/PVC	10,00
6.00	PVC	7,76
6.00	RSP/PVC	23
6.00	DIP/ACP	32
8.00	PVC	15
8.00	RSP/PVC	19,82

SERVICE LINES			
		Year	
Material	Percent of system	installed	
Copper	5%	1970s	
Galvanized steel	50%	1970s	
Black poly	25%	1970s	
PVC	20%	1970s	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
15	300	3	
20	400	3	

STORAGE TANKS				
			Year	
Capacity (gallons)	Material	Quantity	installed	
51,000	Steel	1	1975-80	
225,600	Bolted Steel	1	2006	
235,000	Bolted Steel	1	2006	

CUSTOMER METERS			
	CUSTOME	R METERS	1
		Percent over	Percent over
Size (inches)	Quantity	1,00,000 gallons	10 years old
5/8 X 3/4	753	67%	65%
0.75	1	70%	8%
1	11	100%	90%
1.5	3	100%	75%
2	2	0%	0%

FIRE HYDRANTS		
Type	Quantity	
Standard *	23	
Other	1	

PRESSURE/BLADDER TANKS				
Capacity				
(gallons)	Material	Quantity	Year installed	
85	Steel/rubber	1	2005	
4,600	Steel	3	1999	
4,600	Steel	1	2006	
4,230	Steel	1	2006	

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

TREATMENT EQUIPMENT:	4 chlorinators
STRUCTURES:	Chain link fence around all sites
OTHER:	N/A

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

- Use one of the following methods:

  If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
  - If no historical flow data are available, use: (b) ERC = ( Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day )

ERC 198 Method used:

Month January Single-Family

Customer and Other Information			
Name of the System:	EAST SLOPE WA	ATER - WEST	
ADEQ Public Water System Number:		AZ0402094	
ADWR PCC Number:		91-000069.0000	

Turf/Irrigation

Other Non-

Residential

0

Number of Customers

Commercial

0

Multi-Family

254

February					
April	254	0 1	0	0	
May	253	0 1	0	0	
June	253	0 1	0	0	
August 255 0 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	254	0 1	0	0	
August 254 0 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	255	0 1	0	0	
September 255 0 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	255	0 1	0	0	
Determinent Section	254	0 1	0	0	
November 256 0 1 0 0 December 255 0 1 0 0 0  If the system has fire hydrants, what is the fire flow requirements? 0 GPM for 0 hrs.  Does the system have chlorination treatment? Yes  Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement? No f yes, provide the GPCPD amount: 0  Is the Water Utility located in an ADWR Active Management Area (AMA)? No NA  What is the present system connection capacity (in ERCs *) using existing lines? Unknown	255	0 1	0	0	
December 255 0 1 0 0 0  If the system has fire hydrants, what is the fire flow requirements? 0 GPM for 0 hrs.  Does the system have chlorination treatment? Yes  Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement? No  If yes, provide the GPCPD amount: 0  Is the Water Utility located in an ADWR Active Management Area (AMA)? No  If yes, which AMA? No  What is the present system connection capacity (in ERCs *) using existing lines? Unknown	256	0 1	0	0	
If the system has fire hydrants, what is the fire flow requirements?  Does the system have chlorination treatment?  Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement?  Is the Water Utility located in an ADWR Active Management Area (AMA)?  No If yes, which AMA?  No What is the present system connection capacity (in ERCs *) using existing lines?  Unknown	256	0 1	0	0	
Does the system have chlorination treatment?  Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement?  If yes, provide the GPCPD amount:  Is the Water Utility located in an ADWR Active Management Area (AMA)?  No If yes, which AMA?  No What is the present system connection capacity (in ERCs *) using existing lines?  Unknown	255	0 1	0	0	
	If yes, provide the GPCPD amount:  0  Is the Water Utility located in an ADWR Active Management Area (AMA)?  No				
What is the future system connection capacity (in ERCs *) upon service area buildout?  Unknown	What is the present system connection capacity (in ERCs *) using existing lines?  Unknown				
	What is the future system connection capacity (in ERCs *) upon service area buildout?  Unknown				
Describe any plans and estimated completion dates for any enlargements or improvements of this system.	and estimated completion dat	es for any enlargements or im	provements of this	system.	

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

Customer and Other Information			
Name of the System:	EAST SLOPE WA	ATER COMPANY	
ADEQ Public Water System Number:		AZ0402028	
ADWR PCC Number:		91-000046.0000	

	Number of Customers				
					Other Non-
Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Residential
January	711	0	51	0	(
February	702	0	51	0	(
March	705	0	51	0	(
April	714	0	52	0	(
May	718	0	51	0	(
June	720	0	51	0	(
July	711	0	51	0	(
August	718	0	51	0	(
September	720	0	52	0	(
October	722	0	52	0	(
November	726	0	52	0	(
December	727	0	52	0	(

If the system has fire hydrants, what is the fire flow requirements?  0 GPM for  0 hrs.
Does the system have chlorination treatment? Yes
Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement? No  If yes, provide the GPCPD amount: 0
Is the Water Utility located in an ADWR Active Management Area (AMA)?  No NA
What is the present system connection capacity (in ERCs *) using existing lines?  Unknown
What is the future system connection capacity (in ERCs *) upon service area buildout? Unknown
Describe any plans and estimated completion dates for any enlargements or improvements of this system.

 $<sup>\</sup>mbox{*}$  an ERC is based on the calculation on the bottom of AR9 page 12b.

East Slope Water Company Annual Report Utility Shutoffs / Disconnects 12/31/22

Utility Shutoffs / Disconnects		
Name of the System:	EAST SLOPE WATER - WEST	
ADEQ Public Water System Number:		AZ0402094
ADWR PCC Number:		91-000069.0000

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	410.C	Other
January	0	4	0
February	0	2	0
March	0	1	0
April	0	3	0
May	0	0	0
June	0	2	0
July	0	2	0
August	0	1	0
September	0	2	0
October	0	1	0
November	0	3	0
December	0	0	0
Total	0	21	0

Other (description):	N/A

**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.

East Slope Water Company Annual Report Utility Shutoffs / Disconnects 12/31/22

Utility Shutoffs / Disconnects			
Name of the System:	EAST SLOPE WATER COMPANY		
ADEQ Public Water System Number:		AZ0402028	
ADWR PCC Number:		91-000046.0000	

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	410.C	Other
January	0	12	0
February	0	20	0
March	0	11	0
April	0	15	0
May	0	12	0
June	0	9	0
July	0	6	0
August	0	7	0
September	0	19	0
October	0	12	0
November	0	28	0
December	0	19	0
Total	0	170	0

Other (description):	N/A

**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.

East Slope Water Company Annual Report Property Taxes 12/31/22

Property Taxes				
Amount of actual property taxes paid during Calendar Year 2022 was	\$27,498			
If no property taxes paid, explain why.				
N/A				

**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.

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

		V	erification a	nd Sworn State	ment (Taxes)		
Verification	State of	Arizona (state nam		I, the undersign	ed of the		
	County of (co Name (owner Company nam	or official) title:		Maricopa Bryan Thomas, Company	President		
	1	AT THIS ANNUAL U	TILITY PRO	OPERTY TAX A	AND SALES TAX	X REPORT TO THE	E ARIZONA
	FOR THE YE	AR ENDING:		12/31/	22		
	UTILITY; TH CORRECT ST REPORT IN I	AT I HAVE CAREF	ULLY EXAN SINESS AND	MINED THE SA AFFAIRS OF :	ME, AND DECL SAID UTILITY F	ARE THE SAME TO COR THE PERIOD (	ND RECORDS OF SAID TO BE A COMPLETE AND COVERED BY THIS EST OF MY KNOWLEDGE,
							-
S State and and	LUEDEDVA	TTEST THAT ALL F	DADEDTV 1	LA VES EOD SA	ID COMPANY	ARE CURRENT AT	ND PAID IN FULL
Sworn Statement:	THEREBY A	TIEST THAT ALL I	KOPEKII	TAXES FOR SP	IID COMI AIV I	ARE CORREIT M	THIS IN TOELS.
	I HEREBY A	TTEST THAT ALL S	ALES TAXE	ES FOR SAID C	OMPANY ARE	CURRENT AND P.	
			-	BO			
				/	signa	ature of owner/offici	al · · · · · · · · · · · · · · · · · · ·
						623-935-1100 telephone no.	
			SCRIBED AN ND FOR THI		BEFORE ME A	NOTARY PUBLIC	Moricopa
		THIS	-	44		DAY OF	(county name)    Pri   2023  (month) and (year)
		VE	RONICA G G ry Public, Sta Maricopa C commission f y Commission August 15	ONZALĖZ ite of Arizona County	_las	(date)  (321.62) (signature of no	Mayrel

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

		Verification and Sworn Statement	
Verification	State of Ariz		
	County of (county name): Name (owner or official) title: Company name:	Maricopa Bryan Thomas, President  East Slope Water Company	
	DO SAY THAT THIS ANNUA CORPORATION COMMISSION	AL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZ ON.	ONA
	FOR THE YEAR ENDING:	12/31/22	
	UTILITY; THAT I HAVE CAP AND CORRECT STATEMEN	ER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE AT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COTO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEON AND BELIEF.	A COMPLETE OVERED BY
Sworn Statement	STATUTES, IT IS HEREIN RE	E REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZOI EPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILIT TE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:	NA REVISED Y DERIVED
		Arizona Intrastate Gross Operating Revenues Only (\$)  \$667,011  (The amount in the box above includes  \$37,658 in sales taxes billed or collected)	
		signature of owner/official	al
		623-935-1100 telephone no.  SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC	
		THIS LAYL DAY OF Agrication (mo	nme) 2023 nth) and (year)
		MY COMMISSION EXPIRES  VERONICA G GONZALEZ Notery Public, State of Arizona Maricopa County Commission # 569848 My Commission Expires August 15, 2023  (signature of notary public	ling of

East Slope Water Company Annual Report Verification and Sworn Statement (Residential Revenue) 12/31/22

	Verification and Sworn Statement (Residential Revenue)				
Verification	State of Arizona I, the undersigned of the (state name)				
	County of (county name):  Name (owner or official) title:  Company name:  Maricopa  Bryan Thomas, President  East Slope Water Company				
	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:					
	Arizona Intrastate Gross Operating Revenues Only (\$)  \$621,029  (The amount in the box above includes  \$35,014 in sales taxes billed or collected)				
	signature of owner/official  623-935-1100 telephone no.				
	SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY  (county name)				
	THIS 474 DAY OF April 2023 (month) and (year)				
	VERONICA G GONZALEZ Notary Public, State of Arizona Maricopa County Commission # 569648 My Commission Expires August 15, 2023  MY COMMISSION EXPIRES  S/15/23  (date)  (date)				

East Slope Water Company Annual Report Gross-up Sharing Method for Income Tax Statement of Certification 12/31/22

····	Gross-up Sharing N	lethod for Income Tax Staten	nent of Certification
Verification:			
	State of Arizon		of the
	(state nar	ne)	
	Q 4 (C(1))	Mariana	<del></del>
	County of (county name):	Maricopa Bryan Thomas, Pre	sident
	Name (owner or official) title: Company name:	ast Slope Water Company	Sident
	Company name.	ast Stope water Company	
	FOR THE YEAR ENDING:	12/31/22	
Carronn Statomante			
Sworn Statement:	IN ACCORDANCE WITH THE	REQUIREMENTS OF DECIS	ION NO. 77084, BECAUSE THE UTILITY
	REQUIRES THE GROSS UP OF	F ADVANCES AND CONTRI	BUTIONS, I HEREBY STATE THAT THE
	UTILITY HAS INCURRED OR	IS EXPECTED TO INCUR A	NET INCREASE IN CURRENT INCOME TAX
			OR A CARRY FORWARD ACCORDING TO
			THE AMOUNT OF THE REQUIRED GROSS UP
	PAID BY DEVELOPERS IN TH		
•			
			RIS
			signature of owner/official
			, signature of owner/ornoral
			623-935-1100
			telephone no.
			-
			TO BEFORE ME A NOTARY PUBLIC
	I	N AND FOR THE COUNTY	Mailopa
			(county name)
	т	· 142	DAY OF April 2023
	1	THIS 472	(month) and (year)
			(monen) and (year)
	N	Y COMMISSION EXPIRES	8/18/23
			(date)
	VERONICA G GON Notary Public, State of		,
	Maricopa Cou	nty	" LA LA A
	Commission # 56 My Commission E		un de Mars
	August 15, 20		(signature of notary public)