

ANNUAL REPORT

Of

Company Name: Empirita Water Company, L.L.C.
2850 E. Skyline Dr., Ste. 100

Mailing Address: Tucson AZ
85718

RECEIVED BY EMAIL
5/12/2023 11:50 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Docket No.: W-03948A
For the Year Ended: 12/31/22

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: Original Filing
Application Date: 5/12/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Empirita Water Company, L.L.C.
A Class Utility

For the Calendar Year Ended: 12/31/22

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:

Management Contact

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

[Redacted Management Contact Section]

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

[Redacted Management Contact Section]

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

[Redacted Management Contact Section]

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

Ownership:

Counties Served:

Important changes during the year
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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.
	N/A

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.
	N/A

Empirita Water Company, L.L.C.
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	\$21,930	\$0	\$0	\$21,930	\$21,930	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	868	0	0	868	0	868	3.33%	29
305	Collecting & Improving Reservoirs	0	0	0	0	0	0		0
306	Lake, River, Canal Intakes	0	0	0	0	0	0		0
307	Wells and Springs	111,136	0	0	111,136	0	111,136	3.33%	3,701
308	Infiltration Galleries	0	0	0	0	0	0		0
309	Supply Mains	0	0	0	0	0	0		0
310	Power Generation Equipment	3,000	29,501	0	32,501	0	32,501	5.00%	1,625
311	Pumping Equipment	61,650	8,922	0	70,572	61,151	9,421	12.50%	4,354
320	Water Treatment Equipment	0	0	0	0	0	0		0
320.1	Water Treatment Plants	0	0	0	0	0	0		0
320.2	Solution Chemical Feeders	0	0	0	0	0	0		0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0		0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0		0
330.1	Storage Tanks	60,005	(24,347)	0	35,658	0	35,658	2.22%	792
330.2	Pressure Tanks	15,931	56,753	0	72,684	0	72,684	5.00%	3,634
331	Transmission and Distribution Mains	523,943	0	0	523,943	0	523,943	2.00%	10,479
333	Services	4,525	0	0	4,525	0	4,525	3.33%	151
334	Meters and Meter Installations	3,008	969	0	3,977	1,306	2,671	8.33%	182
335	Hydrants	0	0	0	0	0	0		0
336	Backflow Prevention Devices	0	0	0	0	0	0		0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0		0
340	Office Furniture and Equipment	0	0	0	0	0	0		0
340.1	Computer & Software	0	0	0	0	0	0		0
341	Transportation Equipment	0	0	0	0	0	0		0
342	Stores Equipment	0	0	0	0	0	0		0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0		0
344	Laboratory Equipment	0	0	0	0	0	0		0
345	Power Operated Equipment	0	0	0	0	0	0		0
346	Communication Equipment	0	3,720	0	3,720	0	3,720	10.00%	372
347	Miscellaneous Equipment	0	0	0	0	0	0		0
348	Other Tangible Plant	0	0	0	0	0	0		0
	Subtotal	\$805,996	\$75,518	\$0	\$881,514	\$84,387	\$797,127		\$25,318

Contribution(s) in Aid of Construction (Gross)	\$253,636
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$253,636
Times: Proposed Amortization Rate	varies
Amortization of CIAC	\$5,664

Less: Amortization of CIAC \$5,664

DEPRECIATION EXPENSE **\$19,654**

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$21,930	\$0	\$0	\$21,930	\$0	\$21,930
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	868	0	0	868	332	536
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	111,136	0	0	111,136	63,931	47,205
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	3,000	29,501	0	32,501	13,813	18,688
311	Pumping Equipment	61,650	8,922	0	70,572	60,327	10,245
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	60,005	(24,347)	0	35,658	12,992	22,666
330.2	Pressure Tanks	15,931	56,753	0	72,684	37,351	35,333
331	Transmission and Distribution Mains	523,943	0	0	523,943	168,229	355,714
333	Services	4,525	0	0	4,525	1,706	2,819
334	Meters and Meter Installations	3,008	969	0	3,977	1,862	2,115
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	3,720	0	3,720	3,162	558
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$805,996	\$75,518	\$0	\$881,514	\$363,705	\$517,809

Empirita Water Company, L.L.C.
 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		\$6,394	\$9,505
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		(209)	(128)
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$6,185	\$9,377
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$805,996	\$881,514
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(310,082)	(363,705)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$495,914	\$517,809
	Total Assets		\$502,099	\$527,186

*Note these items feed automatically from AR3 UPIS Page 4

Empirita Water Company, L.L.C.
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		\$29,506	\$3,357
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes		117	181
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities		33,583	13,868
	Total Current Liabilities		\$63,206	\$17,406
	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		13,401	17,001
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		233,921	253,636
272	Less: Amortization of Contributions		(63,159)	(68,823)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$184,163	\$201,814
	Total Liabilites		\$247,369	\$219,220
	Capital Accounts			
201	Common Stock Issued		\$0	
211	Other Paid-In Capital			
215	Retained Earnings		186,433	222,086
218	Proprietary Capital (Sole Props and Partnerships)		68,297	85,880
	Total Capital		\$254,730	\$307,966
	Total Liabilities and Capital		\$502,099	\$527,186

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

Empirita Water Company, L.L.C.
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	\$40,345	\$37,893
460	Unmetered Water Revenue	351	423
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	435	401
	Total Revenues	\$41,131	\$38,717
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	9,736	8,557
618	Chemicals	0	229
620	Materials and Supplies	966	0
620.1	Repairs and Maintenance	144	1,808
620.2	Office Supplies and Expense	227	279
630	Contractual Services	3,000	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	2,219	9,453
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	792	554
636	Contractual Services - Other	1,500	3,550
640	Rents	840	872
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	1,810	2,969
657	Insurance - General Liability	1,763	1,733
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	495	1,500
403	Depreciation Expense (From Schedule AR4)	19,654	16,949
408	Taxes Other Than Income	204	0
408.11	Property Taxes	1,752	1,755
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$45,102	\$50,208
	Operating Income / (Loss)	(\$3,971)	(\$11,491)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$109	\$47
421	Non-Utility Income	1,701	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(2,813)	(251)
	Total Other Income / (Expense)	(\$1,003)	(\$204)
	Net Income / (Loss)	(\$4,974)	(\$11,695)

Empirita Water Company, L.L.C.
 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				0.0
Engineering Staff				0.0
System Operator(s)			0.3	0.3
Meter reader			0.2	0.2
Customer Service				0.0
Accounting			0.3	0.3
Business Office			0.2	0.2
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	1.0	1.0

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:	\$17,001
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Meter Deposits Refunded During the Test Year:	\$0
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Water Utility Plant Description (Continued)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	N/A
STRUCTURES:	Shed, 20 x 20 foot fence around well 1, 10 x 10 foot fence around well 2
OTHER:	60 x 50 foot fenced area

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	168
Method used:	(a)

Customer and Other Information	
Name of the System:	EMPIRITA WATER SYSTEM
ADEQ Public Water System Number:	AZ0402122
ADWR PCC Number:	91-000826.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	67	0	0	0	1
February	71	0	0	0	1
March	71	0	0	0	1
April	72	0	0	0	1
May	72	0	0	0	1
June	72	0	0	0	1
July	73	0	0	0	1
August	73	0	0	0	1
September	74	0	0	0	1
October	74	0	0	0	1
November	75	0	0	0	1
December	75	0	0	0	1

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.

Empirita Water Company, L.L.C.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	EMPIRITA WATER SYSTEM
ADEQ Public Water System Number:	AZ0402122
ADWR PCC Number:	91-000826.0000

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	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): 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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2022 was	
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\$1,752

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.

Empirita Water Company, L.L.C.
Annual Report
Verification and Sworn Statement (Taxes)
12/31/22

Verification and Sworn Statement (Taxes)

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

County of (county name): Pima
Name (owner or official) title: James Vermilyea, Managing Member
Company name: Empirita Water Company, L.L.C.

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.**

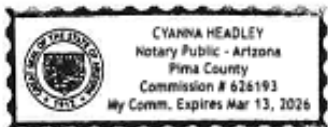
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

James Vermilyea
signature of owner/official
(520) 490-1218
telephone no.

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

THIS 28th DAY OF Pima
(county name)
4/23
(month) and (year)

MY COMMISSION EXPIRES 3/13/26
(date)



Cyanna Headley
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Pima
Name (owner or official) title: James Vermilyea, Managing Member
Company name: Empirita Water Company, L.L.C.

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:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$43,586

(The amount in the box above includes

\$2,437 in sales taxes

billed or collected)

James Vermilyea
signature of owner/official

(520) 490-1218

telephone no.

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

Pima

(county name)

THIS

28th

DAY OF

4/23

(month) and (year)

MY COMMISSION EXPIRES

3-13-26

(date)



Cyanna H
(signature of notary public)

Empirita Water Company, L.L.C.
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): Pima
Name (owner or official) title: James Vermilyea, Managing Member
Company name: Empirita Water Company, L.L.C.

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 (\$)

\$43,586
(The amount in the box above includes
\$2,437 in sales taxes
billed or collected)

James Vermilyea
signature of owner/official

(520) 490-1218
telephone no.

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

Pima
(county name)

THIS 28th DAY OF 4/23
(month) and (year)

MY COMMISSION EXPIRES 3-13-26
(date)



Cyanna Headley
(signature of notary public)