

ANNUAL REPORT

Of

Company Name: Livco Water Company

6808 N Dysart Rd Ste 116

Mailing Address: Glendale AZ 85307

Docket No.: W-02121A

For the Year Ended: 12/31/22

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: Original Filing

Application Date: 4/3/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Livco Water Company
A Class ☐ Utility

For the Calendar Year Ended: 12/31/22

Primary Address:

6808 N Dysart Rd Ste 116
City: Glendale State: Arizona Zip Code: 85307

Telephone Number:

6239351100

Date of Original Organization of Utility:

1/1/1970

Person to whom correspondence should be addressed concerning this report:

Name:

Bryan Thomas

Telephone No. :

623-935-1100

Address:

6808 N Dysart Rd Ste 116
City: Glendale State: Arizona Zip Code: 85307

Email:

Bnthomas@hearthstonecompany.com
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On-Site Manager
Name:

Matt Davis

Telephone No. :

928-595-0115

Address:

PO Box 659
City: Concho State: Arizona Zip Code: 85924

Email:

mdavis@hearthstonecompany.com
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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Ownership:

"C" Corporation

Counties Served:

Apache

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

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	\$1,882	\$0	\$0	\$1,882	\$0	\$1,882
302	Franchises	8,054	0	0	8,054	0	8,054
303	Land and Land Rights	12,616	0	0	12,616	0	12,616
304	Structures and Improvements	17,364	0	0	17,364	12,705	4,659
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	51,919	0	0	51,919	49,192	2,727
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	81,333	39,306	0	120,639	74,295	46,344
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	3,335	0	0	3,335	1,801	1,534
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	65,020	0	0	65,020	63,964	1,056
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	317,013	0	0	317,013	227,440	89,573
333	Services	7,164	6,902	0	14,066	710	13,356
334	Meters and Meter Installations	129,482	6,571	0	136,053	111,795	24,258
335	Hydrants	14,011	0	0	14,011	9,259	4,752
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	35,789	0	0	35,789	21,820	13,969
340	Office Furniture and Equipment	6,580	0	0	6,580	4,268	2,312
340.1	Computer & Software	4,266	0	0	4,266	4,265	1
341	Transportation Equipment	17,016	0	0	17,016	10,809	6,207
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	14,131	527	0	14,658	996	13,662
344	Laboratory Equipment	569	0	0	569	569	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	1,863	0	0	1,863	1,863	0
348	Other Tangible Plant	74,342	0	0	74,342	42,902	31,440
	Totals	\$863,749	\$53,306	\$0	\$917,055	\$638,653	\$278,402

Livco Water Company
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	\$1,882	\$0	\$0	\$1,882	\$1,882	\$0	0.00%	\$0
302	Franchises	8,054	0	0	8,054	8,054	0	0.00%	0
303	Land and Land Rights	12,616	0	0	12,616	12,216	400	0.00%	0
304	Structures and Improvements	17,364	0	0	17,364	8,379	8,985	3.33%	299
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.22%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	2.50%	0
307	Wells and Springs	51,919	0	0	51,919	45,858	6,061	3.33%	203
308	Infiltration Galleries	0	0	0	0	0	0	6.67%	0
309	Supply Mains	0	0	0	0	0	0	2.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	5.00%	0
311	Pumping Equipment	81,333	39,306	0	120,639	62,272	58,367	12.50%	4,839
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	3,335	0	0	3,335	0	3,335	20.00%	667
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	65,020	0	0	65,020	62,170	2,850	2.22%	1,316
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	317,013	0	0	317,013	0	317,013	2.00%	6,340
333	Services	7,164	6,902	0	14,066	0	14,066	3.33%	353
334	Meters and Meter Installations	129,482	6,571	0	136,053	98,858	37,195	8.33%	2,864
335	Hydrants	14,011	0	0	14,011	8,326	5,685	2.00%	267
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	35,789	0	0	35,789	327	35,462	6.67%	2,365
340	Office Furniture and Equipment	6,580	0	0	6,580	5,194	1,386	6.67%	92
340.1	Computer & Software	4,266	0	0	4,266	4,265	1	20.00%	0
341	Transportation Equipment	17,016	0	0	17,016	1,500	15,516	20.00%	3,103
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	14,131	527	0	14,658	0	14,658	5.00%	720
344	Laboratory Equipment	569	0	0	569	569	0	10.00%	28
345	Power Operated Equipment	0	0	0	0	0	0	5.00%	0
346	Communication Equipment	0	0	0	0	0	0	10.00%	0
347	Miscellaneous Equipment	1,863	0	0	1,863	1,863	0	10.00%	0
348	Other Tangible Plant	74,342	0	0	74,342	367	73,975	5.00%	3,699
	Subtotal	\$863,749	\$53,306	\$0	\$917,055	\$322,100	\$594,955		\$27,157

Contribution(s) in Aid of Construction (Gross)	\$375,420
Less: Non Amortizable Contribution(s)	158,900
Fully Amortized Contribution(s)	139,985
Amortizable Contribution(s)	\$76,535
Times: Proposed Amortization Rate	4.94%
Amortization of CIAC	\$3,781

Less: Amortization of CIAC **\$3,781**

DEPRECIATION EXPENSE **\$23,376**

Livco 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		\$37,292	\$24,151
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		13,915	21,448
146	Notes Receivable from Associated Companies		0	(5,782)
151	Plant Material and Supplies		0	0
162	Prepayments		0	4,033
174	Miscellaneous Current and Accrued Assets		62,526	94,462
	Total Current and Accrued Assets		\$113,733	\$138,312
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$863,749	\$917,055
103	Property Held for Future Use		158,900	158,900
105	Construction Work in Progress		22,300	35,083
108	Accumulated Depreciation (enter as negative)*		(611,497)	(638,653)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$433,452	\$472,385
	Total Assets		\$547,185	\$610,697

*Note these items feed automatically from AR3 UPIS Page 4

Livco Water Company
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		\$84,736	\$85,678
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	13,041
235	Customer Deposits		16,416	17,890
236	Accrued Taxes		14,162	11,217
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		285	213
	Total Current Liabilities		\$115,599	\$128,039
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$58,964	\$51,442
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		20,792	19,810
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		393,557	409,453
272	Less: Amortization of Contributions		(150,987)	(154,768)
281	Accumulated Deferred Income Tax		0	52,395
	Total Deferred Credits		\$263,362	\$326,890
	Total Liabilities		\$437,925	\$506,371
	Capital Accounts			
201	Common Stock Issued		\$82,000	\$82,000
211	Other Paid-In Capital		286,533	286,533
215	Retained Earnings		(259,273)	(264,207)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$109,260	\$104,326
	Total Liabilities and Capital		\$547,185	\$610,697

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

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	\$253,710	\$233,760
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	5,971	5,206
474	Other Water Revenue	0	0
	Total Revenues	\$259,681	\$238,966
	Operating Expenses		
601	Salaries and Wages	\$50,754	\$48,798
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	26,314	21,126
618	Chemicals	985	645
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	7,091	1,380
620.2	Office Supplies and Expense	8,790	8,071
630	Contractual Services	0	0
631	Contractual Services - Engineering	890	0
632	Contractual Services - Accounting	2,092	1,847
633	Contractual Services - Legal	2,098	1,331
634	Contractual Services - Management Fees	65,931	64,283
635	Contractual Services - Water Testing	3,983	2,595
636	Contractual Services - Other	2,549	560
640	Rents	0	0
641	Rental of Building/Real Property	9,000	9,000
642	Rental of Equipment	0	0
650	Transportation Expenses	3,525	2,316
657	Insurance - General Liability	6,517	5,574
657.1	Insurance - Health and Life	7,597	8,161
665	Regulatory Commission Expense - Rate	4,011	2,674
670	Bad Debt Expense	(69)	2,008
675	Miscellaneous Expense	5,202	3,770
403	Depreciation Expense (From Schedule AR4)	23,376	22,228
408	Taxes Other Than Income	9,390	3,679
408.11	Property Taxes	3,676	8,859
409	Income Taxes	3,618	3,917
427.1	Customer Security Deposit Interest	403	356
	Total Operating Expenses	\$247,723	\$223,178
	Operating Income / (Loss)	\$11,958	\$15,788
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$53
421	Non-Utility Income	1,524	2,794
426	Miscellaneous Non-Utility (Expense)	4	0
427	Interest (Expense)	(2,569)	(2,874)
	Total Other Income / (Expense)	(\$1,041)	(\$27)
	Net Income / (Loss)	\$10,917	\$15,761

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			unable to	0.0
Engineering Staff			determine	0.0
System Operator(s)	1.0		without	1.0
Meter reader			significant	0.0
Customer Service			analysis	0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	1.0	0.0	0.0	1.0

Livco 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	VARIES	VARIES	VARIES	NONE
Source of Loan	WIFA	WIFA	WIFA	NONE
ACC Decision No.	70308	72748	77995	NONE
Reason for Loan	CAP IMPR	CAP IMPR	CAP IMPR	NONE
Dollar Amt. Issued	\$88,579	\$29,798	\$34,033	NONE
Amount Outstanding	\$34,557	\$17,722	\$0	NONE
Date of Maturity	7/1/2028	9/1/2032	10/1/2041	NONE
Interest Rate	4.90%	3.94%	2.76%	NONE
Current Year Interest	\$1,839	\$729	\$0	NONE
Current Year Principal	\$5,222	\$1,462	\$837	NONE

Meter Deposit Balance at Test Year End:	\$19,810
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Meter Deposits Refunded During the Test Year:	\$3,178
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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.

[illegible]

Name of system water delivered to:	OLD CONCHO WATER USERS	
ADWR PCC Number:	91-000006.0000	
Source of water delivered to another system	Ground Water	

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

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	3,264,100.00	2,560,100.00	139,000.00	0.00	40,000.00	\$2,061	14,240
February	2,451,870.00	1,869,200.00	126,000.00	0.00	0.00	2,018	13,828
March	2,672,430.00	1,912,870.00	132,000.00	0.00	0.00	1,789	11,484
April	3,182,000.00	2,405,700.00	190,000.00	0.00	0.00	1,623	9,896
May	3,573,800.00	2,987,000.00	286,000.00	0.00	40,000.00	2,038	14,060
June	5,085,700.00	4,218,900.00	377,000.00	0.00	40,000.00	2,426	17,951
July	2,796,700.00	2,408,700.00	188,000.00	0.00	40,000.00	3,479	27,053
August	4,856,900.00	3,390,100.00	221,000.00	0.00	40,000.00	3,355	25,913
September	2,950,000.00	2,565,022.00	197,000.00	0.00	40,000.00	1,059	4,152
October	2,390,000.00	2,148,100.00	243,000.00	0.00	40,000.00	2,206	15,048
November	3,037,200.00	2,305,403.00	123,000.00	0.00	50,000.00	1,932	11,853
December	2,373,500.00	1,719,929.00	130,000.00	0.00	50,000.00	2,335	15,520
Totals	38,634,200.00	30,491,024.00	2,352,000.00	0.00	380,000.00	\$26,320	180,990

<p>If applicable, in the space below please provide a description for all un-metered water use along with amounts:</p> <p>Flushing = 380,000 gallons</p>

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:		LIVCO WATER COMPANY	
ADEQ Public Water System Number:		AZ0401018	
ADWR PCC Number:		91-000011.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC 40	13,905
3.00	PVC 40	2,994
4.00	PVC 40	73,872
6.00	PVC 40	110,763
8.00	PVC 40	1,448
8.00	ACP	1,448

SERVICE LINES		
Material	Percent of system	Year installed
Black poly	99%	Various
PVC	1%	Various

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	50	2
1	20	1

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
250,000	steel	1	1970
24,000	steel	1	1984

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	368	20%	80%
0.75	25	20%	50%
1	17	45%	75%
1.5	1	0%	0%
2	3	100%	100%
3	0	0%	0%
4	5	0%	0%

FIRE HYDRANTS	
Type	Quantity
Standard *	15
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
40	fbrgls/rubber	1	2004
250	steel/rubber	4	2005
10,000	steel	1	1981

* 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:	Chlorine metering pump and injector
STRUCTURES:	3 booster station houses, 1 well house, chain link fencing around 2 storage tanks and 1 well, 4x8 chlorine shed
OTHER:	Generator, compressor, portable water evacuation pump

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
- (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	157
Method used:	(a)

Customer and Other Information		
Name of the System:	LIVCO WATER COMPANY	
ADEQ Public Water System Number:	AZ0401018	
ADWR PCC Number:	91-000011.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	383	1	18	0	12
February	388	1	18	0	12
March	387	1	18	0	12
April	387	1	18	0	12
May	390	1	19	0	12
June	388	1	18	0	12
July	392	1	18	0	12
August	393	1	18	0	12
September	392	1	18	0	12
October	392	1	18	0	12
November	392	1	19	0	12
December	387	1	19	0	12

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.

N/A

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

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

Utility Shutoffs / Disconnects	
Name of the System:	LIVCO WATER COMPANY
ADEQ Public Water System Number:	AZ0401018
ADWR PCC Number:	91-000011.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	0	0
February	0	10	0
March	0	3	0
April	0	6	0
May	0	13	0
June	0	12	0
July	0	12	0
August	0	14	0
September	0	15	0
October	0	13	0
November	0	14	0
December	0	0	0
Total	0	112	0

Other (description):

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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2022 was
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\$9,124

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.

Verification and Sworn Statement (Taxes)

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

County of (county name): Maricopa
Name (owner or official) title: Bryan Thomas, President
Company name: Livco 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: 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.

BGT

signature of owner/official

623-935-1100

telephone no.

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

THIS

4/12

DAY OF

Maricopa

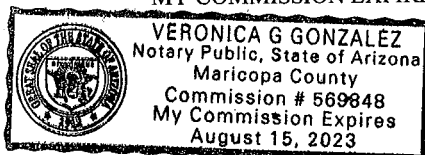
(county name)

April 2023

(month) and (year)

MY COMMISSION EXPIRES

8/15/23
(date)



Veronica G. Gonzalez
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name):

Maricopa

Name (owner or official) title:

Bryan Thomas, President

Company name:

Livco 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: 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 (\$)

\$276,002

(The amount in the box above includes

\$16,321 in sales taxes

billed or collected)

BTC

signature of owner/official

623-935-1100

telephone no.

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

Maricopa

(county name)

THIS

4/7/23

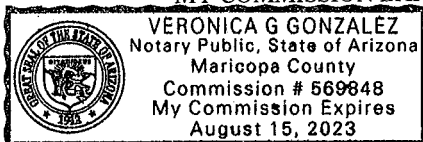
DAY OF

April 2023

(month) and (year)

MY COMMISSION EXPIRES

8/15/23
(date)



Veronica G Gonzalez
(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): Maricopa
Name (owner or official) title: Bryan Thomas, President
Company name: Livco 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: 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 (\$)

\$260,528

(The amount in the box above includes

\$15,431

in sales taxes
billed or collected)

BFB

signature of owner/official

623-935-1100

telephone no.

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

Maricopa

(county name)

THIS

4th

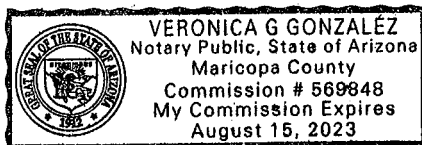
DAY OF

April 2023

(month) and (year)

MY COMMISSION EXPIRES

8/15/23
(date)



Veronica G. Gonzalez
(signature of notary public)

Gross-up Sharing Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Bryan Thomas, President
Company name: Livco Water Company

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.

B/T
signature of owner/official

623-935-1100
telephone no.

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

Maricopa
(county name)

THIS

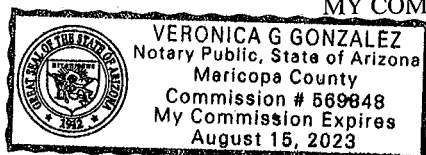
4th

DAY OF

April 2023
(month) and (year)

MY COMMISSION EXPIRES

8/15/23
(date)



Veronica G. Gonzalez
(signature of notary public)