

<b>ANNUAL REPORT</b>
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Of

Company Name: 

Picacho Water Company
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9532 E. Riggs Rd.

Mailing Address: Sun Lakes AZ  
85248

**RECEIVED BY EMAIL**  
**5/11/2022 1:29 PM**  
**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

Docket No.: W-03528A  
For the Year Ended: 

12/31/21
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**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
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Application Date: 

5/11/2022
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ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Picacho Water Company  
A Class ☐ Utility

For the Calendar Year Ended: 12/31/21

Primary Address: 

9532 E Riggs Road
City: Sun Lakes State: Arizona Zip Code: 85248

Telephone Number: 

480-895-9200
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Date of Original Organization of Utility: 

1998
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Person to whom correspondence should be addressed concerning this report:

Name: 

Brian Smith
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Telephone No. : 

480-895-9200
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Address: 

9532 E Riggs Road
City: Sun Lakes State: Arizona Zip Code: 85248

  
Email: 

<a href="mailto:Brian.Smith@Robson.com">Brian.Smith@Robson.com</a>
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On-Site Manager  
Name: 

Dave Voorhees
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Telephone No. : 

480-895-5009
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Address: 

9532 E Riggs Road
City: Sun Lakes State: Arizona Zip Code: 85248

  
Email: 

<a href="mailto:Brian.Smith@Robson.com">Brian.Smith@Robson.com</a>
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NA  
Name: 

NA
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Telephone No. : 

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Address: 

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City: NA State: NA Zip Code: NA

  
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Name: 

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Telephone No. : 

NA
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Address: 

NA
City: NA State: NA Zip Code: NA

  
Email: 

NA
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Ownership: 

"S" Corporation
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Counties Served: 

Pinal
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ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Picacho Water Company

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	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	183,896	0	0	183,896	0	183,896
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	38,184	4,260	0	42,445	8,650	33,795
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	2,091,845	0	0	2,091,845	949,009	1,142,836
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	10,557	2,827	0	13,385	812	12,573
311	Pumping Equipment	1,387,865	137,306	1,676	1,523,495	405,562	1,117,933
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	41,471	0	0	41,471	(5,322)	46,793
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	883,323	0	5,000	878,323	407,956	470,367
330.2	Pressure Tanks	6,911	0	480	6,431	564	5,867
331	Transmission and Distribution Mains	5,027,072	199,136	0	5,226,207	1,512,121	3,714,086
333	Services	831,688	103,099	0	934,787	232,013	702,774
334	Meters and Meter Installations	428,166	67,247	0	495,413	93,583	401,831
335	Hydrants	648,757	60,112	0	708,869	204,459	504,410
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	14,184	763	0	14,947	5,772	9,175
340.1	Computer & Software	9,269	14,031	0	23,300	775	22,525
341	Transportation Equipment	58,854	0	0	58,854	14,906	43,948
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	6,476	2,377	1,051	7,802	(610)	8,412
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	1,510	0	1,510	11	1,499
346	Communication Equipment	189,426	258	0	189,683	85,267	104,416
347	Miscellaneous Equipment	19,409	0	0	19,409	(5,020)	24,429
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$11,877,352</b>	<b>\$592,926</b>	<b>\$8,207</b>	<b>\$12,462,071</b>	<b>\$3,910,508</b>	<b>\$8,551,562</b>

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	183,896	0	0	183,896	183,896	(0)	0.00%	0
303	Land and Land Rights	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	38,184	4,260	0	42,445	0	42,445	3.00%	1,177
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	3.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	3.00%	0
307	Wells and Springs	2,091,845	0	0	2,091,845	0	2,091,845	3.00%	62,755
308	Infiltration Galleries	0	0	0	0	0	0	3.00%	0
309	Supply Mains	0	0	0	0	0	0	3.00%	0
310	Power Generation Equipment	10,557	2,827	0	13,385	0	13,385	3.00%	338
311	Pumping Equipment	1,387,865	137,306	1,676	1,523,495	0	1,523,495	3.00%	42,628
320	Water Treatment Equipment	0	0	0	0	0	0	3.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.00%	0
320.2	Solution Chemical Feeders	41,471	0	0	41,471	0	41,471	3.00%	1,244
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	3.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	3.00%	0
330.1	Storage Tanks	883,323	0	5,000	878,323	0	878,323	3.00%	26,495
330.2	Pressure Tanks	6,911	0	480	6,431	0	6,431	3.00%	197
331	Transmission and Distribution Mains	5,027,072	199,136	0	5,226,207	0	5,226,207	3.00%	155,293
333	Services	831,688	103,099	0	934,787	0	934,787	3.00%	27,270
334	Meters and Meter Installations	428,166	67,247	0	495,413	0	495,413	3.00%	14,449
335	Hydrants	648,757	60,112	0	708,869	0	708,869	3.00%	20,815
336	Backflow Prevention Devices	0	0	0	0	0	0	3.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	3.00%	0
340	Office Furniture and Equipment	14,184	763	0	14,947	0	14,947	3.00%	433
340.1	Computer & Software	9,269	14,031	0	23,300	0	23,300	3.00%	401
341	Transportation Equipment	58,854	0	0	58,854	25,585	33,269	3.00%	1,766
342	Stores Equipment	0	0	0	0	0	0	3.00%	0
343	Tools, Shop and Garage Equipment	6,476	2,377	1,051	7,802	0	7,802	3.00%	215
344	Laboratory Equipment	0	0	0	0	0	0	3.00%	0
345	Power Operated Equipment	0	1,510	0	1,510	0	1,510	3.00%	11
346	Communication Equipment	189,426	258	0	189,683	53	189,630	3.00%	5,691
347	Miscellaneous Equipment	19,409	0	0	19,409	0	19,409	3.00%	582
348	Other Tangible Plant	0	0	0	0	0	0	3.00%	0
	<b>Subtotal</b>	<b>\$11,877,352</b>	<b>\$592,926</b>	<b>\$8,207</b>	<b>\$12,462,071</b>	<b>\$209,534</b>	<b>\$12,252,537</b>		<b>\$361,761</b>

Contribution(s) in Aid of Construction (Gross)	
Less: Non Amortizable Contribution(s)	
Fully Amortized Contribution(s)	
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	2.95%
Amortization of CIAC	\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$361,761

Picacho Water Company  
Annual Report  
Balance Sheet Assets  
12/31/21

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$289,652	\$610,399
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		64,714	65,201
142	Other Receivables		0	0
145	Accounts Receivable - Related Party		8,028	6,353
146	Notes Receivable from Associated Companies		65	0
151	Plant Material and Supplies		0	0
162	Prepayments		2,120	1,628
174	Miscellaneous Current and Accrued Assets		0	0
	<b>Total Current and Accrued Assets</b>		<b>\$364,578</b>	<b>\$683,580</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$11,877,352	\$12,462,071
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(3,556,954)	(3,910,508)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$8,320,398</b>	<b>\$8,551,562</b>
	<b>Total Assets</b>		<b>\$8,684,976</b>	<b>\$9,235,143</b>

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

Picacho Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current Liabilities			
231	Accounts Payable		\$21,659	\$143,559
232	Notes Payable (Current Portion)		0	0
233	Accounts Payable - Related Party		0	389,186
234	Notes Payable to Associated Companies		0	43,771
235	Customer Deposits		0	0
236	Accrued Taxes		32,446	32,346
237	Accrued Interest		78	0
242	Miscellaneous Current and Accrued Liabilities		16,853	14,569
	<b>Total Current Liabilities</b>		<b>\$71,035</b>	<b>\$623,431</b>
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$71,035</b>	<b>\$623,431</b>
	Capital Accounts			
201	Common Stock Issued		\$1,475,000	\$1,475,000
211	Other Paid-In Capital		6,344,502	6,344,502
215	Retained Earnings		794,440	792,210
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$8,613,942</b>	<b>\$8,611,712</b>
	<b>Total Liabilities and Capital</b>		<b>\$8,684,976</b>	<b>\$9,235,143</b>

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

Picacho Water Company  
Annual Report  
Water Comparative Income Statement  
12/31/21

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2021 - 12/31/2021	Last Year 01/01/2020 - 12/31/2020
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$1,018,529	\$1,014,339
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	7,943	6,258
	<b>Total Revenues</b>	<b>\$1,026,472</b>	<b>\$1,020,596</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$217,084	\$127,378
603	Salaries and Wages - Officers	6,422	6,442
604	Employee Pensions and Benefits	34,308	21,218
610	Purchased Water	0	0
615	Purchased Power	220,129	230,639
618	Chemicals	4,246	3,743
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	21,689	15,057
620.2	Office Supplies and Expense	20,821	15,704
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	615	605
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,718	4,958
636	Contractual Services - Other	13,041	15,371
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	137	137
650	Transportation Expenses	21,706	21,602
656	Insurance - Vehicles	6,132	2,755
657	Insurance - General Liability	16,634	16,562
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	260	511
675	Miscellaneous Expense	6,558	4,679
403	Depreciation Expense (From Schedule AR4)	361,761	349,200
407.5	Amortization – EADIT	0	0
408	Taxes Other Than Income	7,446	5,611
408.11	Property Taxes	48,431	47,597
408.12	Payroll Taxes	19,555	7,974
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$1,028,693</b>	<b>\$897,741</b>
	<b>Operating Income / (Loss)</b>	<b>(\$2,221)</b>	<b>\$122,855</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	699	671
426	Miscellaneous Non-Utility (Expense)	0	(69)
427	Interest (Expense)	(708)	(932)
	<b>Total Other Income / (Expense)</b>	<b>(\$9)</b>	<b>(\$329)</b>
	<b>Net Income / (Loss)</b>	<b>(\$2,230)</b>	<b>\$122,526</b>



**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	0.0	0.1	0.0	0.1
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	2.0	0.3	0.0	2.3
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.6	0.0	0.0	0.6
Accounting	0.0	0.0	0.1	0.1
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.2	0.0	0.2
Other	0.0	0.0	0.0	0.0
<b>Total</b>	2.6	0.6	0.2	3.4

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	n/a	n/a	n/a	n/a
Source of Loan	n/a	n/a	n/a	n/a
ACC Decision No.	n/a	n/a	n/a	n/a
Reason for Loan	n/a	n/a	n/a	n/a
Dollar Amt. Issued	n/a	n/a	n/a	n/a
Amount Outstanding	n/a	n/a	n/a	n/a
Date of Maturity	n/a	n/a	n/a	n/a
Interest Rate	n/a	n/a	n/a	n/a
Current Year Interest	n/a	n/a	n/a	n/a
Current Year Principal	n/a	n/a	n/a	n/a

Meter Deposit Balance at Test Year End:	\$0
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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.**

[illegible]

Name of system water delivered to:	NA		
ADWR PCC Number:	#N/A		
Source of water delivered to another system	NA		
Name of system water received from:	NA		
ADWR PCC Number:	#N/A		
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 <sup>6</sup>	Purchased Power (kWh)
January	13,379,000.00	14,744,266.00	0.00	0.00	172,000.00	\$12,364	58,340
February	15,660,000.00	14,795,592.00	0.00	0.00	177,000.00	13,988	73,240
March	23,055,000.00	21,039,210.00	0.00	0.00	210,000.00	14,108	75,980
April	32,792,000.00	30,886,073.00	0.00	0.00	184,000.00	21,774	133,700
May	45,435,000.00	43,574,471.00	0.00	0.00	175,000.00	22,024	139,760
June	45,403,000.00	41,020,117.00	0.00	0.00	202,000.00	23,853	149,660
July	38,889,000.00	35,356,367.00	0.00	0.00	207,000.00	25,510	164,680
August	35,594,000.00	32,467,750.00	0.00	0.00	195,000.00	18,944	114,360
September	38,207,000.00	40,051,056.00	0.00	0.00	179,000.00	24,976	161,020
October	35,907,000.00	37,250,744.00	0.00	0.00	298,000.00	18,588	112,260
November	21,777,000.00	20,270,281.00	0.00	0.00	342,000.00	11,367	63,080
December	17,417,000.00	15,816,149.00	0.00	0.00	196,000.00	12,634	66,720
<b>Totals</b>	<b>363,515,000.00</b>	<b>347,272,076.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,537,000.00</b>	<b>\$220,129</b>	<b>1,312,800</b>

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

n/a
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- |   |   |
|---|---|
| 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:		PICACHO WATER CO	
ADEQ Public Water System Number:		AZ0411135	
ADWR PCC Number:		91-000564.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
6.00	PVC	35,872
8.00	PVC	43,295
8.00	ACP, DIP, PVC	180
12.00	PVC	40,826
16.00	PVC	12,442
18.00	PVC	7,920
na	na	na
na	na	na
na	na	na
na	na	na
na	na	na
na	na	na
na	na	na
na	na	na

SERVICE LINES		
Material	Percent of system	Year installed
Copper	100%	unknown
na	na	na
na	na	na
na	na	na
na	na	na

BOOSTER PUMPS		
Horsepower	GPM	Quantity
60	500	2
40	400	1
30	300	1
na	na	na

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
1,000,000	Steel	1	2006
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	1,605	0%	unknown
1	18	0%	unknown
1.5	10	0%	unknown
2	40	68%	unknown
4	2	50%	unknown
6	1	100%	unknown
8	2	100%	unknown
12	1	100%	unknown
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na

FIRE HYDRANTS	
Type	Quantity
Standard *	205
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
15,000	Steel	1	2006
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na
na	na	na	na

\* 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.

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

<b>TREATMENT EQUIPMENT:</b>	Dual Chlorination System (2)
<b>STRUCTURES:</b>	4 Motor Control Panels
<b>OTHER:</b>	Generator (1) 350 KW

**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	158
Method used:	(a)

Customer and Other Information		
Name of the System:	PICACHO WATER CO	
ADEQ Public Water System Number:	AZ0411135	
ADWR PCC Number:	91-000564.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	1,435	0	15	47	9
February	1,450	0	16	46	9
March	1,467	0	16	48	8
April	1,477	0	16	46	8
May	1,496	0	16	48	8
June	1,507	0	16	46	8
July	1,524	0	16	48	10
August	1,542	0	17	47	9
September	1,560	0	16	48	8
October	1,579	0	16	48	9
November	1,605	0	16	48	9
December	1,602	0	16	49	8

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.

None

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

Picacho Water Company  
**Annual Report**  
 Utility Shutoffs / Disconnects  
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	PICACHO WATER CO
ADEQ Public Water System Number:	AZ0411135
ADWR PCC Number:	91-000564.0000

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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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	
----------------	--

Amount of actual property taxes paid during Calendar Year 2021 was
--

\$46,132
----------

If no property taxes paid, explain why.
---

N/A
-----

<b>Instructions:</b> 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: Brian Smith - Vice President  
Company name: Picacho Water Company

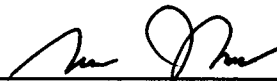
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/21

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

480-895-9200

telephone no.

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

THIS

26th

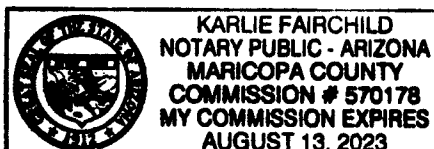
DAY OF

Maricopa  
(county name)

April 2022  
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023  
(date)



(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:

Brian Smith - Vice President

Company name:

Picacho Water Company

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$1,133,512

(The amount in the box above includes

\$107,040

in sales taxes  
billed or collected)

[Signature]  
signature of owner/official

480-895-9200

telephone no.

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

THIS

26<sup>th</sup>

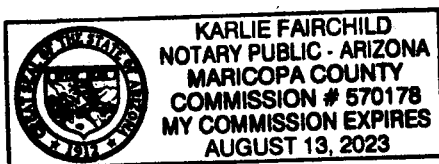
DAY OF

Maricopa  
(county name)

April 2022  
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023  
(date)



[Signature]  
(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: Brian Smith - Vice President  
Company name: Picacho Water Company

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$590,578

(The amount in the box above includes

\$55,241 in sales taxes  
billed or collected)

[Signature]  
signature of owner/official

480-895-9200  
telephone no.

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

Maricopa  
(county name)

THIS

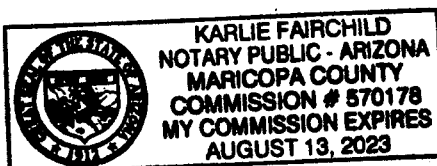
25th

DAY OF

April 2022  
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023  
(date)



[Signature]  
(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):

Maricopa

Name (owner or official) title:

Brian Smith - Vice President

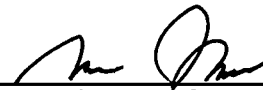
Company name:

Picacho Water Company

FOR THE YEAR ENDING: 12/31/21

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.



signature of owner/official

480-895-9200

telephone no.

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

Maricopa  
(county name)

THIS

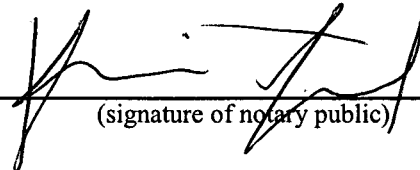
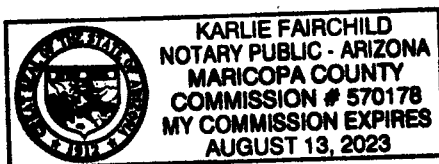
26<sup>th</sup>

DAY OF

April 2022  
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023  
(date)

  
(signature of notary public)