

ANNUAL REPORT

Of

Company Name:

6375 E. Tanque Verde, Suite 150

Mailing Address: Tucson AZ
85715

Docket No.: W-01651B
For the Year Ended:

**RECEIVED
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:
Application Date:

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

For the Calendar Year Ended: 12/31/23

Primary Address: 6375 E. Tanque Verde, Suite 150
City: Tucson State: Arizona Zip Code: 85715

Telephone Number: 520-571-1958

Date of Original Organization of Utility: 6/10/1959

Person to whom correspondence should be addressed concerning this report:

Name: Christopher T. Volpe
Telephone No. : 520-571-1958 x 7105
Address: 6375 E. Tanque Verde, Suite 150
City: Tucson State: Arizona Zip Code: 85715
Email: kvolpe@estesco.net

On-Site Manager

Name: Keith Dojaquez
Telephone No. : 520-647-3679
Address: 14155 E. Via Rancho del Lago Blvd.
City: Vail State: Arizona Zip Code: 85641
Email: kdojaquez@vailwater.com

Regulatory and Management Contact

Name: Christopher T. Volpe
Telephone No. : 520-571-1958 x 7105
Address: 6375 E. Tanque Verde, Suite 150
City: Tucson State: Arizona Zip Code: 85715
Email: kvolpe@estesco.net

Statutory Agent

Name: Christopher T. Volpe
Telephone No. : 520-571-1958 x 7105
Address: 6375 E. Tanque Verde, Suite 150
City: Tucson State: Arizona Zip Code: 85715
Email: kvolpe@estesco.net

Management Contact

Name: Christopher T. Volpe
Telephone No. : 520-571-1958 x 7105
Address: 6375 E. Tanque Verde, Suite 150
City: Tucson State: Arizona Zip Code: 85715
Email: kvolpe@estesco.net

Ownership: "C" Corporation

Counties Served: Pima

Important changes during the year

	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.
	All shares of stock in Vail Water Company were purchased by AZ CWA Vail, Inc., a Delaware corporation, on November 21, 2023. AZ CWA Vail, Inc. is now the sole shareholder of Vail Water Company.

	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.
	No

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	0	0	0	0	0	0
303	Land and Land Rights	17,750	0	0	17,750	0	17,750
304	Structures and Improvements	398,006	0	0	398,006	252,686	145,320
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	1,094,596	0	0	1,094,596	740,432	354,164
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	1,009,336	0	0	1,009,336	398,388	610,948
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	2,652,297	31,466	0	2,683,763	1,576,453	1,107,310
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	1,584,151	0	0	1,584,151	690,173	893,978
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	26,126,537	1	0	26,126,538	6,703,157	19,423,381
333	Services	23,579	0	0	23,579	19,317	4,262
334	Meters and Meter Installations	1,657,936	231,807	111,281	1,778,462	515,156	1,263,306
335	Hydrants	1,270,571	0	0	1,270,571	298,874	971,697
336	Backflow Prevention Devices	9,442	0	0	9,442	9,442	0
339	Other Plant and Misc. Equipment	9,566	0	0	9,566	5,236	4,330
340	Office Furniture and Equipment	47,843	0	0	47,843	33,161	14,682
340.1	Computer & Software	61,212	0	0	61,212	48,646	12,566
341	Transportation Equipment	112,247	0	11,000	101,247	101,247	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	15,645	0	0	15,645	15,645	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	47,564	0	0	47,564	15,457	32,107
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	9,656	0	0	9,656	9,656	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$36,147,934	\$263,274	\$122,281	\$36,288,927	\$11,433,126	\$24,855,801

Vail Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/23

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	17,750	0	0	17,750	0	17,750	0.00%	0
304	Structures and Improvements	398,006	0	0	398,006	58,449	339,557	3.33%	11,307
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	2.50%	0
307	Wells and Springs	1,094,596	0	0	1,094,596	28,383	1,066,213	3.33%	35,505
308	Infiltration Galleries	0	0	0	0	0	0	6.67%	0
309	Supply Mains	1,009,336	0	0	1,009,336	0	1,009,336	2.00%	20,187
310	Power Generation Equipment	0	0	0	0	0	0	5.00%	0
311	Pumping Equipment	2,652,297	31,466	0	2,683,763	2,010,564	673,199	12.50%	82,183
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	0	0	0	0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	10.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	1,584,151	0	0	1,584,151	0	1,584,151	2.22%	35,168
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	26,126,537	1	0	26,126,538	0	26,126,538	2.00%	522,531
333	Services	23,579	0	0	23,579	12,451	11,128	3.33%	371
334	Meters and Meter Installations	1,657,936	231,807	111,281	1,778,462	585,191	1,193,271	8.33%	94,380
335	Hydrants	1,270,571	0	0	1,270,571	0	1,270,571	2.00%	25,411
336	Backflow Prevention Devices	9,442	0	0	9,442	7,902	1,540	6.67%	103
339	Other Plant and Misc. Equipment	9,566	0	0	9,566	6,554	3,012	6.67%	201
340	Office Furniture and Equipment	47,843	0	0	47,843	14,789	33,054	6.67%	2,205
340.1	Computer & Software	61,212	0	0	61,212	60,553	659	20.00%	132
341	Transportation Equipment	112,247	0	11,000	101,247	101,247	0	20.00%	1,100
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	15,645	0	0	15,645	3,035	12,610	5.00%	631
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	47,564	0	0	47,564	0	47,564	5.00%	2,378
346	Communication Equipment	0	0	0	0	0	0	10.00%	0
347	Miscellaneous Equipment	9,656	0	0	9,656	9,656	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$36,147,934	\$263,274	\$122,281	\$36,288,927	\$2,898,774	\$33,390,153		\$833,791

Contribution(s) in Aid of Construction (Gross)	\$28,263,544
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	4,310,336
Amortizable Contribution(s)	<u>\$23,953,208</u>
Times: Proposed Amortization Rate	2.50%
Amortization of CIAC	\$598,140

Less: Amortization of CIAC	\$598,140
DEPRECIATION EXPENSE	\$235,652

Vail Water Company
Annual Report
Balance Sheet Assets
12/31/23

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current and Accrued Assets			
131	Cash		\$378,755	\$619,990
134	Working Funds		0	0
135	Temporary Cash Investments		3,743,172	1,109,432
141	Customer Accounts Receivable		366,111	431,755
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,615,043	1,790,984
174	Miscellaneous Current and Accrued Assets		33,000	33,000
	Total Current and Accrued Assets		\$6,136,081	\$3,985,161
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$36,147,934	\$36,288,927
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	103,521
108	Accumulated Depreciation (enter as negative)*		(10,703,111)	(11,433,126)
121	Non-Utility Property		138,116	138,116
122	Accumulated Depreciation - Non Utility		(134,616)	(134,616)
	Total Fixed Assets		\$25,448,323	\$24,962,822
	Total Assets		\$31,584,404	\$28,947,983

*Note these items feed automatically from AR3 UPIS Page 4

Vail Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current Liabilities			
231	Accounts Payable		\$57,122	\$329,832
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		609,470	630,221
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$666,592	\$960,053
	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		15,998,475	15,919,630
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		12,194,138	12,343,914
272	Less: Amortization of Contributions		(4,310,336)	(4,908,476)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$23,882,277	\$23,355,068
	Total Liabilities		\$24,548,869	\$24,315,121
	Capital Accounts			
201	Common Stock Issued		\$638,099	\$638,099
211	Other Paid-In Capital		2,445,314	2,445,314
215	Retained Earnings		3,952,122	1,549,449
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$7,035,535	\$4,632,862
	Total Liabilities and Capital		\$31,584,404	\$28,947,983

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

Vail Water Company
Annual Report
Water Comparative Income Statement
12/31/23

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$3,093,914	\$2,996,970
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	1,565,617	1,424,551
	Total Revenues	\$4,659,531	\$4,421,521
	Operating Expenses		
601	Salaries and Wages	\$454,079	\$408,090
604	Employee Pensions and Benefits	7,577	8,632
610	Purchased Water	1,161,253	1,171,527
615	Purchased Power	149,562	168,862
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	159,310	136,487
620.2	Office Supplies and Expense	88,646	83,265
630	Contractual Services	0	0
631	Contractual Services - Engineering	36,063	(14,489)
632	Contractual Services - Accounting	25,688	20,418
633	Contractual Services - Legal	63,970	890
634	Contractual Services - Management Fees	233,535	201,122
635	Contractual Services - Water Testing	26,676	37,497
636	Contractual Services - Other	81,231	62,765
640	Rents	9,581	9,302
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	33,332	33,235
657	Insurance - General Liability	62,251	55,597
657.1	Insurance - Health and Life	1,982	7,579
665	Regulatory Commission Expense - Rate	17,505	15,807
670	Bad Debt Expense	7,772	5,115
675	Miscellaneous Expense	27,171	22,548
403	Depreciation Expense (From Schedule AR4)	235,652	207,027
408	Taxes Other Than Income	0	0
408.11	Property Taxes	305,183	200,730
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	4,557	10,143
	Total Operating Expenses	\$3,192,576	\$2,852,149
	Operating Income / (Loss)	\$1,466,955	\$1,569,372
	Other Income / (Expense)		
419	Interest and Dividend Income	\$97,628	\$16,370
421	Non-Utility Income	68,306	114,681
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$165,934	\$131,051
	Net Income / (Loss)	\$1,632,889	\$1,700,423

Vail Water Company
 Annual Report
 Full time equivalent employees
 12/31/23

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	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	1.0	0.0	0.0	1.0
Meter reader	4.0	0.0	0.0	4.0
Customer Service	1.0	0.0	0.0	1.0
Accounting	0.0	0.0	0.0	0.0
Business Office	0.0	0.5	0.0	0.5
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	1.0	0.0	0.0	1.0
Other	0.0	0.0	0.0	0.0
Total	7.0	0.5	0.0	7.5

Vail Water Company
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/23

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	\$532,135
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Meter Deposits Refunded During the Test Year:	\$71,473
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Well and Water Usage

Name of the System: VAIL WATER COMPANY											
ADEQ Public Water System Number:			AZ0410041								
ADWR PCC Number:			91-000417.0000								
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2011	Water level 2021	Meter Size (inches)	How measured:	Active
55-087813 (7)	0	0	0	0	0	0	0	0	0	N/A	No
55-087814 (5)	300	975	924	14	Turbine	1981	523	539	8	Metered	Yes
55-087815 (4)	0	0	0	0	0	0	0	0	0	N/A	No
55-087816 (8)	125	550	845	12	Turbine	1981	457	473	10	Metered	Yes
55-087817 (6)	125	700	759	14	Turbine	1981	470	469	8	Metered	Yes
55-602949 (1)	0	0	0	0	0	0	0	0	0	N/A	No
55-625703 (3)	100	600	614	12	Turbine	1974	408	586	8	Metered	Yes
55-625704 (2)	0	0	0	0	0	0	0	0	0	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	No

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:	TUCSON, CITY OF
ADWR PCC Number:	91-000439.0000
Source of water received	CAP
Well registry 55# (55-XXXXXX):	55-217513

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	6,896,000.00	30,062,595.00	0.00	18,456,152.00	8,155.00	\$5,671	20,436
February	6,888,000.00	29,811,034.00	0.00	33,507,408.00	0.00	6,431	24,587
March	9,167,000.00	37,799,756.00	0.00	33,461,780.00	0.00	6,930	27,980
April	10,950,000.00	38,686,237.00	0.00	30,839,292.00	8,155.00	9,195	40,600
May	12,613,000.00	42,554,640.00	743,000.00	38,888,520.00	13,268.00	13,230	46,454
June	17,727,000.00	52,255,735.00	4,518,000.00	33,790,900.00	257,000.00	18,002	70,870
July	15,985,000.00	46,817,208.00	28,000.00	39,580,420.00	468,000.00	15,134	52,676
August	13,378,000.00	47,651,488.00	2,371,000.00	36,280,992.00	653,155.00	12,797	43,567
September	10,380,000.00	39,934,601.00	2,284,000.00	33,763,224.00	475,000.00	17,510	55,097
October	9,488,000.00	40,331,976.00	12,512,000.00	38,459,916.00	395,708.00	12,934	50,556
November	8,484,000.00	42,719,942.00	5,629,000.00	35,515,040.00	628,000.00	11,444	40,601
December	6,770,000.00	35,360,749.00	0.00	32,331,552.00	0.00	8,866	23,601
Totals	128,726,000.00	483,985,961.00	28,085,000.00	404,875,196.00	2,906,441.00	\$138,142	497,025

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

- 1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
- 2 Water sold - Total gallons from customer meters, and other sales such as construction water.
- 3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
- 4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
- 5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
- 6 Enter the total purchased power costs for the power meters associated with this system.
- 7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description	
Name of the System:	VAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410041
ADWR PCC Number:	91-000417.0000

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Galvanized	8,456
3.00	0	0
4.00	ACP/DIP/PVC	47,624
5.00	0	0
6.00	ACP/DIP/PVC	169,036
8.00	ACP/DIP/PVC	297,739
10.00	ACP/DIP/PVC	16,918
12.00	ACP, DIP, PVC	149,437
16.00	Ductile Iron	9,743
0.00	0	0
0.00	0	0
0.00	0	0
0.00	0	0
0.00	0	0
0.00	0	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4"	5,613	36%	63%
3/4"	731	7%	15%
3"	18	89%	59%
2"	47	70%	58%
1"	45	36%	43%
1 1/2"	27	40%	74%
4	1	0%	100%
6	1	15%	100%
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		

SERVICE LINES			
Material	Percent of system	Year installed	
Copper	99%	0	
PVC	1%	0	
0	0%	0	
0	0%	0	
0	0%	0	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	0	3
15	0	1
20	0	8
25	0	1
30	0	5
40	0	2
50	0	4
60	0	1
75	0	2

FIRE HYDRANTS	
Type	Quantity
Standard *	695
Other	2

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
100,000	Steel	1	99-20
290,000	Steel	1	99-20
500,000	Steel	2	99-20
550,000	Steel	1	99-20
600,000	Steel	1	99-20
0	0	0	99-20

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	13	2000, 2002
0	0	0	NA
0	0	0	NA
0	0	0	NA
0	0	0	NA
0	0	0	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.

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:	100% CAP water received directly from City of Tucson already chlorinated. 12.5% residual of sodium hypochloride chlorination at groundwater wellsites.
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STRUCTURES:	Administrative office 57x35 steel building
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OTHER:	None
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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	3
Method used:	(b)

Customer and Other Information	
Name of the System:	VAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410041
ADWR PCC Number:	91-000417.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	6,030	0	65	70	55
February	6,030	0	66	70	55
March	6,056	0	65	70	55
April	6,068	0	66	70	54
May	6,085	0	65	70	54
June	6,100	0	67	71	55
July	6,143	0	67	71	57
August	6,164	0	67	73	56
September	6,215	0	68	73	56
October	6,231	0	68	74	57
November	6,257	0	68	75	55
December	6,278	0	68	76	59

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 (GCPCPD) requirement?
 If yes, provide the GCPCPD 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.

Vail Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	VAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410041
ADWR PCC Number:	91-000417.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	33	0
February	0	41	0
March	0	8	0
April	0	11	0
May	0	50	0
June	0	29	0
July	0	32	0
August	0	38	0
September	0	49	0
October	0	5	0
November	0	14	0
December	0	11	0
Total	0	321	0

Other (description):

none

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	
Amount of actual property taxes paid during Calendar Year 2023 was	\$201,912

If no property taxes paid, explain why.

NA

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Certification (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Christopher T. Volpe
Company name: Vail Water Company

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

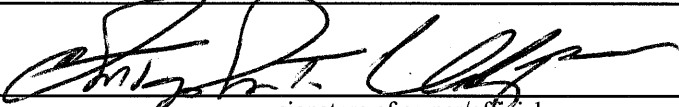
FOR THE YEAR ENDING: 12/31/23

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.

Certification:

I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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


signature of owner/official

520-571-1958 x 7105
telephone no.