

ANNUAL REPORT

Of

Company Name:

Picacho Sewer Company 4720 East Cotton Gin Loop, Suite 130

Mailing Address: Phoenix AZ
85040

Docket No.:

SW-03709A

For the Year Ended:

12/31/24

RECEIVED BY EMAIL

5/14/2025, 9:24 PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

WASTEWATER 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:

5/14/2025

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Picacho Sewer Company
A Class ☐ Utility

For the Calendar Year Ended: 12/31/24

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:

On-Site Manager

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

Regulatory and Management Contact

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

Regulatory Contact

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

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

Ownership:

Counties Served:

Important changes during the year
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	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
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	If yes, please provide specific details in the box below.
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	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
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	If yes, please provide specific details in the box below.
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Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization	\$0	\$0	\$0	\$0	\$0	\$0
352	Franchises	0	0	0	0	0	0
353	Land and Land Rights	0	0	0	0	0	0
354	Structures and Improvements	181,507	0	0	181,507	82,134	99,373
355	Power Generation Equipment	32,571	3,539	0	36,110	6,409	29,701
360	Collections Wastewater - Force	2,640	868	0	3,508	184	3,323
361	Collections Wastewater - Gravity	4,595,440	607,047	0	5,202,487	1,964,541	3,237,947
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	1,331,829	206,822	0	1,538,651	466,913	1,071,738
364	Flow Measuring Devices	0	0	0	0	0	0
365	Flow Measuring Installations	0	0	0	0	0	0
366	Reuse Services	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	322,875	0	0	322,875	235,178	87,697
371	Pumping Equipment	836,320	913	0	837,233	443,145	394,088
374	Reuse Distribution Reservoirs	0	0	0	0	0	0
375	Reuse Trans. And Distr. Equipment	838	0	0	838	285	553
380	Treatment and Disposal Equipment	4,515,788	84,211	17,380	4,582,619	2,829,467	1,753,152
381	Plant Sewers	0	0	0	0	0	0
382	Outfall Sewer Lines	1,347,439	0	0	1,347,439	940,693	406,746
389	Other Plant and Misc. Equipment	66,075	0	0	66,075	(13,341)	79,416
390	Office Furniture and Equipment	1,835	0	0	1,835	298	1,537
390.1	Computer & Software	24,691	0	0	24,691	4,696	19,995
391	Transportation Equipment	25,845	0	0	25,845	5,643	20,202
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	11,855	1,987	0	13,842	1,605	12,237
394	Laboratory Equipment	14,955	7,518	0	22,473	1,967	20,506
395	Power Operated Equipment	0	0	0	0	0	0
396	Communication Equipment	37,740	4,135	0	41,875	(306)	42,180
397	Miscellaneous Equipment	19,245	0	0	19,245	7,012	12,233
398	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$13,369,488	\$917,039	\$17,380	\$14,269,147	\$6,976,522	\$7,292,625

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.

Picacho Sewer Company
Annual Report
Depreciation Expense for the Current Year (Wastewater)
12/31/24

Depreciation Expense for the Current Year (Wastewater)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non- depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
352	Franchises	0	0	0	0	0	0.00%	0
353	Land and Land Rights	0	0	0	0	0	0.00%	0
354	Structures and Improvements	181,507	0	0	181,507	0	4.00%	7,260
355	Power Generation Equipment	32,571	3,539	0	36,110	0	3.11%	1,068
360	Collections Wastewater - Force	2,640	868	0	3,508	0	0.00%	0
361	Collections Wastewater - Gravity	4,595,440	607,047	0	5,202,487	0	3.80%	186,161
362	Special Collecting Structures	0	0	0	0	0	0.00%	0
363	Services to Customers	1,331,829	206,822	0	1,538,651	0	3.77%	54,109
364	Flow Measuring Devices	0	0	0	0	0	4.00%	0
365	Flow Measuring Installations	0	0	0	0	0	0.00%	0
366	Reuse Services	0	0	0	0	0	0.00%	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0.00%	0
370	Receiving Wells	322,875	0	0	322,875	0	4.00%	12,915
371	Pumping Equipment	836,320	913	0	837,233	0	4.01%	33,555
374	Reuse Distribution Reservoirs	0	0	0	0	0	0.00%	0
375	Reuse Trans. And Distr. Equipment	838	0	0	838	0	4.06%	34
380	Treatment and Disposal Equipment	4,515,788	84,211	17,380	4,582,619	0	3.99%	181,513
381	Plant Sewers	0	0	0	0	0	0.00%	0
382	Outfall Sewer Lines	1,347,439	0	0	1,347,439	0	4.00%	53,898
389	Other Plant and Misc. Equipment	66,075	0	0	66,075	0	4.00%	2,643
390	Office Furniture and Equipment	1,835	0	0	1,835	0	0.00%	0
390.1	Computer & Software	24,691	0	0	24,691	0	3.99%	985
391	Transportation Equipment	25,845	0	0	25,845	0	0.00%	0
392	Stores Equipment	0	0	0	0	0	0.00%	0
393	Tools, Shop and Garage Equipment	11,855	1,987	0	13,842	0	4.00%	514
394	Laboratory Equipment	14,955	7,518	0	22,473	0	4.07%	762
395	Power Operated Equipment	0	0	0	0	0	0.00%	0
396	Communication Equipment	37,740	4,135	0	41,875	0	4.00%	1,592
397	Miscellaneous Equipment	19,245	0	0	19,245	0	0.00%	0
398	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$13,369,488	\$917,039	\$17,380	\$14,269,147	\$0		\$537,008

Contribution(s) in Aid of Construction (Gross)

\$0

Less: Non Amortizable Contribution(s)

0

Fully Amortized Contribution(s)

0

Amortizable Contribution(s)

\$0

Times: Proposed Amortization Rate

3.76%

Amortization of CIAC

\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE **\$537,008**

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.

Picacho Sewer Company
Annual Report
Balance Sheet Assets
12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current and Accrued Assets			
131	Cash		\$302,079	\$152,861
132	Special Deposits		0	0
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		77,580	76,590
142	Other Accounts Receivable		0	0
143	Accumulated Provision for Uncollectable Accounts		0	0
145	Accounts Receivable - Related Parties		4,120	92
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		4,775	1,687
173	Accrued Utility Revenue		0	0
174	Miscellaneous Current and Accrued Assets		0	0
181	Unamortized Debt Discounts		0	0
	Total Current and Accrued Assets		\$388,554	\$231,230
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
	Total Deferred Debits		\$0	\$0
	Fixed Assets			
101	Utility Plant in Service*		\$13,369,488	\$14,269,147
103	Property Held for Future Use		0	0
105	Construction Work in Progress		812,750	1,210,811
108	Accumulated Depreciation (enter as negative)*		(6,433,571)	(6,976,522)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$7,748,667	\$8,503,435
	Total Assets		\$8,137,221	\$8,734,665

Note these items feed automatically from the adjusted end of year balance from AR4.

Picacho Sewer Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable		\$61,638	\$67,754
232	Notes Payable (Current Portion)		0	0
233	Accounts Payable - Related Party		459,940	16,750
234	Notes Payable to Associated Companies		26,214	21,321
235	Customer Deposits		0	0
236	Accrued Taxes		20,669	20,889
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		15,905	7,845
253	Other Deferred Credits		0	5,050
	Total Current Liabilities		\$584,366	\$139,609
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
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
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$584,366	\$139,609
	Capital Accounts			
201	Common Stock Issued		\$2,750,000	\$2,750,000
211	Other Paid-In Capital		10,589,995	11,889,995
215	Retained Earnings		(5,787,138)	(6,044,939)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$7,552,857	\$8,595,056
	Total Liabilities and Capital		\$8,137,223	\$8,734,665

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

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2024 -	Last Year 01/01/2023 -
	Operating Revenue		
521	Flat Rate Revenues	\$916,032	\$898,013
522	Measured Revenues	15,022	29,147
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	4,555	7,893
	Total Revenues	\$935,609	\$935,053
	Operating Expenses		
701	Salaries and Wages	\$291,494	\$315,009
703	Salaries and Wages - Officers	\$4,931	\$5,731
704	Employee Pensions and Benefits	47,978	47,519
710	Purchased Wastewater Treatment	0	0
711	Sludge Removal Expense	94,887	86,835
715	Purchased Power	55,283	55,707
716	Fuel for Power Production	0	0
718	Chemicals	1,821	0
720	Materials and Supplies	0	0
720.1	Repairs and Maintenance	48,219	60,701
720.2	Office Supplies and Expense	0	34,955
721	Office Expense	34,990	0
731	Contractual Services -Engineering	0	0
732	Contractual Services - Accounting	550	550
733	Contractual Services - Legal	0	0
734	Contractual Services - Management Fees	0	0
735	Contractual Services - Testing	35,037	33,337
736	Contractual Services - Other	13,385	12,000
740	Rents - Building	0	0
742	Rents - Equipment	39,050	10,949
750	Transportation Expenses	19,511	28,890
756	Insurance - Vehicle	3,754	7,789
757	Insurance - General Liability	28,596	24,984
758	Insurance - Worker's Compensation	0	0
759	Insurance - Other	0	0
760	Advertising Expense	0	0
766	Regulatory Commission Expense - Rate Case	0	0
767	Regulatory Commission Expense - Other	0	0
770	Bad Debt Expense	233	1,667
775	Miscellaneous Expense	5,584	6,249
403	Depreciation Expense (From Schedule AR4)	537,008	520,429
407.4	Amortization of Regulatory Asset	0	0
407.5	Amortization of Regulatory Liability	0	0
408	Taxes Other Than Income	20,287	10,380
408.11	Property Taxes	36,817	36,667
408.12	Payroll Taxes	14,144	18,427
409	Income Taxes	0	0
434	Rate Case Adjustments	0	0
	Total Operating Expenses	\$1,333,559	\$1,318,775
	Operating Income / (Loss)	(\$397,950)	(\$383,722)
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	0	0
421	Non-Utility Income	166,573	21
426	Miscellaneous Non-Utility (Expense)	(308)	(66)
427	Interest (Expense)	(2,789)	(3,549)
	Total Other Income / (Expense)	\$163,475	(\$3,594)
	Net Income / (Loss)	(\$234,475)	(\$387,316)

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.

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	0.1	0.0	0.1
System Operator(s)	2.8	1.1	0.0	3.9
Customer Service	0.0	0.1	0.0	0.1
Accounting	0.0	0.0	0.2	0.2
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.3	0.0	0.3
Other	0.0	0.0	0.0	0.0
Total	2.8	1.7	0.2	4.7

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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Picacho Sewer Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/24

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:	NA
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Meter Deposits Refunded During the Test Year:	NA
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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.

Wastewater Utility Plant Description

Name of System:	Picacho Sewer Company
Wastewater Inventory Number (if applicable):	none
Type of Treatment	other
Design Capacity of Plant (Gallons per day)	250,000

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)	Year Constructed
7135 S Robson Blvd	2	15	600	12566	2006
5751 N Robson Blvd	2	10	300	10376	2008
4998 N Toltec Rd	2	3	200	6342	2015
5758 Luna Dr.	2	4	200	n/a	2021
4145 N. Chippewa Dr.	2	3	160	n/a	2024
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

FORCE MAINS

Size	Material	Length (Feet)
4 inch	PVC	3,183
6 inch	PVC	600
8 inch	PVC	6,031
10 inch	PVC	940
15 inch	PVC	3,720
18 inch	PVC	2,940
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

MANHOLES

Type	Quantity
Standard	384
Drop	NA

CLEANOUTS

Quantity
59
NA
NA
NA

Note: If you are filing for more than one system, please provide separate sheets for each system.

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. Copy and paste this sheet as many times as is necessary.

Picacho Sewer Company
Annual Report
Wastewater Utility Plant Description (Continued)

Wastewater Utility Plant Description (Continued)						
GRAVITY MAINS				SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)		Size (inches)	Material	Quantity
4	PVC	3,380		4	PVC	2,059
8	PVC	85,813		4	NA	NA
10	PVC	1,272		4	NA	NA
12	NA	172		4	NA	NA
NA	NA	NA				
NA	NA	N/A				
NA	NA	N/A				
NA	NA	N/A				
NA	NA	N/A				
NA	NA	N/A				
NA	NA	N/A				
NA	NA	N/A				
NA	NA	N/A				

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

SOLIDS PROCESSING AND HANDLING FACILITIES	Digester and liquid digester sludge hauled to Pima Utility for final processing
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Ultra-Violet
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Dual media filter
STRUCTURES (Buildings, Fences, Etc.)	Office building, electrical building
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Generators, meters, SCADA, Misc Tools

Note: If you are filing for more than one system, please provide separate sheets for each system.

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. Copy and paste this sheet as many times as is necessary.

Picacho Sewer Company
Annual Report
Wastewater Flows
12/31/24

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow (Gallons)	Sewage Flow on Peak Day	Purchased Power Expense ¹	Purchased Power (kWh) ²
January	1,805	4,918,000	45,303	\$5,562	31,525
February	1,807	4,645,000	45,333	5,418	31,094
March	1,812	4,735,000	45,376	5,045	28,783
April	1,814	4,077,000	45,383	5,101	28,922
May	1,813	3,462,000	45,418	4,409	24,680
June	1,816	2,868,000	45,449	4,352	24,662
July	1,820	2,862,000	45,504	4,349	24,382
August	1,824	2,969,000	45,900	4,230	24,177
September	1,831	2,949,000	45,914	4,116	23,071
October	1,835	3,597,000	45,954	4,305	24,111
November	1,837	4,016,000	45,990	4,226	23,787
December	1,840	4,201,000	46,022	4,171	23,425
	Totals	45,299,000	547,546	\$55,283	312,619

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Reuse
Groundwater Permit Number	71-211286.000, 73-211286.000
ADEQ Aquifer Protection Permit ("APP") Number	56-0013530000
ADEQ Reuse Permit Number	R-100587
EPA NPDES Permit Number	n/a
APP Effluent Treatment Requirement (Class)?	B+
Permitted Flow Rate	250,000/day
Permitted Organic Capacity	n/a
Hydraulic Capacity	250,000/day
Type of Biological Treatment	Sequenced Batch Reactor (SBR)

In the space below, list all violations within the past 12 months:

N/A

Note: If you are filing for more than one system, please provide separate sheets for each system.

- 1 Enter the total purchased power costs for the power meters associated with this system.
2 Enter the total purchased kWh used by the power meters associated with this system.

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.

Picacho Sewer Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/24

Utility Shutoffs / Disconnects	
Name of System:	Picacho Sewer Company
Wastewater Inventory Number (if applicable):	none

Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2- 609.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 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 2024 was
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\$36,817

If no property taxes paid, explain why.

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.

Verification and Certification (Taxes)

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

County of (county name):

Pinal

Name (owner or official) title:

Jill Schwartz

Company name:

Picacho Sewer Company

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

FOR THE YEAR ENDING:

12/31/24

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

314-401-2761

telephone no.