

**RECEIVED  
BY EMAIL**

**5/12/2023, 1:38 PM**

**ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION**

**ANNUAL REPORT**

Of

Company Name: SaddleBrooke Utility Company  
9532 E. Riggs Rd.

Mailing Address: Sun Lakes AZ  
85248

Docket No.: SW-02849A  
For the Year Ended: 12/31/22

**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: 5/10/2023

ARIZONA CORPORATION COMMISSION  
WASTEWATER UTILITY ANNUAL REPORT  
SaddleBrooke Utility Company  
A Class ☒ Utility

For the Calendar Year Ended: 12/31/22

Primary Address: 

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

Telephone Number: 

480-895-9200
--------------

Date of Original Organization of Utility: 

6/22/1994
-----------

Person to whom correspondence should be addressed concerning this report:

Name: 

Brian Smith
-------------

  
Telephone No. : 

480-895-4235
--------------

  
Address: 

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

  
Email: 

Brian.Smith@Robson.com
------------------------

On-Site Manager  
Name: 

Ed MacMeans
-------------

  
Telephone No. : 

520-449-2105
--------------

  
Address: 

40004 S Ridgeview Blvd
City: Tucson State: Arizona Zip Code: 85739

  
Email: 

Ed.MacMeans@Robson.com
------------------------

Regulatory and Management Contact  
Name: 

Brian Smith
-------------

  
Telephone No. : 

480-895-4235
--------------

  
Address: 

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

  
Email: 

Brian.Smith@Robson.com
------------------------

NA  
Name: 

NA
----

  
Telephone No. : 

NA
----

  
Address: 

NA
City: NA State: Arizona Zip Code: NA

  
Email: 

NA
----

NA  
Name: 

NA
----

  
Telephone No. : 

NA
----

  
Address: 

NA
City: NA State: Arizona Zip Code: na

  
Email: 

NA
----

Ownership: 

"S" Corporation
-----------------

Counties Served: 

Pinal
-------

ARIZONA CORPORATION COMMISSION  
WASTEWATER UTILITY ANNUAL REPORT  
SaddleBrooke Utility Company

**Important changes during the year**

Yes	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.
	In December 2022, the Company repurchased .04156275976724850% ownership interest from the Edward J Robson Family Foundation

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

SaddleBrooke Utility Company  
Annual Report  
Utility Plant in Service (Wastewater)  
12/31/22

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	\$21,369	\$0	\$0	\$21,369	\$0	\$21,369
352	Franchises	0	0	0	0	0	0
353	Land and Land Rights	125,000	0	0	125,000	0	125,000
354	Structures and Improvements	123,726	9,184	0	132,910	59,882	73,028
355	Power Generation Equipment	220,136	528	650	220,014	154,630	65,384
360	Collections Wastewater - Force	162,827	0	0	162,827	124,007	38,820
361	Collections Wastewater - Gravity	6,957,247	0	0	6,957,247	5,464,008	1,493,239
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	1,599,814	0	0	1,599,814	1,174,851	424,963
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	641,524	0	0	641,524	550,755	90,769
371.1	Pumping Equipment - Lift Stations	954,754	67,030	49,976	971,808	626,476	345,332
371.2	Pumping Equipment - Effluent	146,281	7,773	4,929	149,125	45,627	103,498
371.3	Pumping Equipment - Recharge Wells	250,211	0	0	250,211	53,378	196,833
374	Reuse Distribution Reservoirs	0	0	0	0	0	0
375	Reuse Trans. And Distr. Equipment	899,489	0	0	899,489	294,618	604,871
380	Treatment and Disposal Equipment	7,046,392	116,396	54,028	7,108,760	5,448,239	1,660,521
381	Plant Sewers	0	0	0	0	0	0
382	Outfall Sewer Lines	29,192	0	0	29,192	29,192	0
389	Other Plant and Misc. Equipment	643,459	0	0	643,459	64,346	579,113
390	Office Furniture and Equipment	1,684	0	1,684	0	(973)	973
390.1	Computer & Software	126,217	0	0	126,217	32,875	93,342
391	Transportation Equipment	186,504	0	0	186,504	20,182	166,322
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	31,114	1,186	0	32,300	8,762	23,538
394	Laboratory Equipment	6,648	3,337	0	9,985	6,816	3,169
395	Power Operated Equipment	0	1,826	0	1,826	(3,538)	5,364
396	Communication Equipment	169,237	9,408	3,000	175,645	6,711	168,934
397	Miscellaneous Equipment	0	0	0	0	0	0
398	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$20,342,825</b>	<b>\$216,668</b>	<b>\$114,267</b>	<b>\$20,445,226</b>	<b>\$14,160,844</b>	<b>\$6,284,382</b>

**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.



SaddleBrooke Utility Company  
Annual Report  
Depreciation Expense for the Current Year (Wastewater)  
12/31/22

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	\$21,369	\$0	\$0	\$21,369	21,369	0.00%	\$0
352	Franchises	0	0	0	0	0	0.00%	0
353	Land and Land Rights	125,000	0	0	125,000	125,000	0.00%	0
354	Structures and Improvements	123,726	9,184	0	132,910	0	3.33%	2,990
355	Power Generation Equipment	220,136	528	650	220,014	0	5.00%	11,205
360	Collections Wastewater - Force	162,827	0	0	162,827	0	2.00%	3,257
361	Collections Wastewater - Gravity	6,957,247	0	0	6,957,247	0	2.00%	96,609
362	Special Collecting Structures	0	0	0	0	0	2.00%	0
363	Services to Customers	1,599,814	0	0	1,599,814	0	2.00%	28,615
364	Flow Measuring Devices	0	0	0	0	0	10.00%	0
365	Flow Measuring Installations	0	0	0	0	0	10.00%	107
366	Reuse Services	0	0	0	0	0	2.00%	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	8.33%	0
370	Receiving Wells	641,524	0	0	641,524	0	3.33%	20,250
371.1	Pumping Equipment - Lift Stations	954,754	67,030	49,976	971,808	0	12.50%	107,359
371.2	Pumping Equipment - Effluent	146,281	7,773	4,929	149,125	0	12.50%	18,486
371.3	Pumping Equipment - Recharge Wells	250,211	0	0	250,211	0	12.50%	31,276
374	Reuse Distribution Reservoirs	0	0	0	0	0	2.50%	0
375	Reuse Trans. And Distr. Equipment	899,489	0	0	899,489	0	2.50%	22,487
380	Treatment and Disposal Equipment	7,046,392	116,396	54,028	7,108,760	0	5.00%	334,767
381	Plant Sewers	0	0	0	0	0	5.00%	0
382	Outfall Sewer Lines	29,192	0	0	29,192	0	3.33%	0
389	Other Plant and Misc. Equipment	643,459	0	0	643,459	0	4.00%	25,738
390	Office Furniture and Equipment	1,684	0	1,684	0	0	6.67%	56
390.1	Computer & Software	126,217	0	0	126,217	0	20.00%	25,423
391	Transportation Equipment	186,504	0	0	186,504	0	20.00%	41,246
392	Stores Equipment	0	0	0	0	0	4.00%	0
393	Tools, Shop and Garage Equipment	31,114	1,186	0	32,300	0	5.00%	1,624
394	Laboratory Equipment	6,648	3,337	0	9,985	0	10.00%	305
395	Power Operated Equipment	0	1,826	0	1,826	0	5.00%	195
396	Communication Equipment	169,237	9,408	3,000	175,645	0	10.00%	17,498
397	Miscellaneous Equipment	0	0	0	0	0	10.00%	0
398	Other Tangible Plant	0	0	0	0	0	10.00%	0
	<b>Subtotal</b>	<b>\$20,342,825</b>	<b>\$216,668</b>	<b>\$114,267</b>	<b>\$20,445,226</b>	<b>\$146,369</b>		<b>\$789,493</b>

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<b>\$0</b>
Times: Proposed Amortization Rate	3.89%
<b>Amortization of CIAC</b>	<b>\$0</b>

Less: Amortization of CIAC

**DEPRECIATION EXPENSE**

**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.

SaddleBrooke Utility 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)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$1,817,898	\$325,830
132	Special Deposits		0	0
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		188,406	187,518
142	Other Accounts Receivable		5,569	5,148
143	Accumulated Provision for Uncollectable Accounts		0	0
145	Accounts Receivable - Related Parties		4,200	2,010
146	Notes Receivable from Associated Companies		1,504,165	1,586,743
151	Plant Material and Supplies		0	0
162	Prepayments		25,411	21,896
173	Accrued Utility Revenue		0	0
174	Miscellaneous Current and Accrued Assets		0	0
181	Unamortized Debt Discounts		0	6,787
	<b>Total Current and Accrued Assets</b>		<b>\$3,545,649</b>	<b>\$2,135,932</b>
	<b>Deferred Debits</b>			
186.1	Deferred Rate Case Expense		\$131,979	\$97,944
	<b>Total Deferred Debits</b>		<b>\$131,979</b>	<b>\$97,944</b>
	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$20,342,825	\$20,445,226
103	Property Held for Future Use		0	0
105	Construction Work in Progress		46,435	172,096
108	Accumulated Depreciation (enter as negative)*		(13,485,619)	(14,160,844)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$6,903,641</b>	<b>\$6,456,478</b>
	<b>Total Assets</b>		<b>\$10,581,269</b>	<b>\$8,690,353</b>

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



SaddleBrooke Utility 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)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$46,602	\$199,306
232	Notes Payable (Current Portion)		0	0
233	Accounts Payable - Related Party		58,830	658
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		59,040	53,891
237	Accrued Interest		0	1,815
241	Miscellaneous Current and Accrued Liabilities		30,166	35,382
253	Other Deferred Credits		0	0
	<b>Total Current Liabilities</b>		<b>\$194,638</b>	<b>\$291,052</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$2,867,857
	<b>Total Long Term Debt</b>		<b>\$0</b>	<b>\$2,867,857</b>
	<b>Deferred Credits</b>			
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>\$194,638</b>	<b>\$3,158,909</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$98,472	\$98,472
211	Other Paid-In Capital		3,224,839	3,224,839
215	Retained Earnings		7,063,320	2,208,133
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$10,386,631</b>	<b>\$5,531,444</b>
	<b>Total Liabilities and Capital</b>		<b>\$10,581,269</b>	<b>\$8,690,353</b>

**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 01/01/2022 -	Last Year 01/01/2021 -
	<b>Operating Revenue</b>		
521	Flat Rate Revenues	\$2,209,981	\$2,351,642
522	Measured Revenues	61,956	73,136
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	51,717	52,972
	<b>Total Revenues</b>	<b>\$2,323,654</b>	<b>\$2,477,750</b>
	<b>Operating Expenses</b>		
701	Salaries and Wages	\$231,298	\$217,196
703	Salaries and Wages - Officers	\$25,071	\$25,071
704	Employee Pensions and Benefits	27,392	37,785
710	Purchased Wastewater Treatment	0	0
711	Sludge Removal Expense	112,692	106,720
715	Purchased Power	219,149	214,991
716	Fuel for Power Production	0	0
718	Chemicals	18,672	11,446
720	Materials and Supplies	0	0
720.1	Repairs and Maintenance	43,366	43,119
720.2	Office Supplies and Expense	59,759	64,947
721	Office Expense	0	0
731	Contractual Services - Engineering	0	0
732	Contractual Services - Accounting	10,000	0
733	Contractual Services - Legal	99	0
734	Contractual Services - Management Fees	0	0
735	Contractual Services - Testing	23,946	22,087
736	Contractual Services - Other	50,819	50,819
740	Rents - Building	0	0
741	Rental of Building/Real Property	3,945	3,945
742	Rents - Equipment	1,144	1,096
750	Transportation Expenses	7,682	7,219
756	Insurance - Vehicle	3,751	6,087
757	Insurance - General Liability	39,684	38,545
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	2,691	925
775	Miscellaneous Expense	15,857	7,071
403	Depreciation Expense (From Schedule AR4)	789,493	706,214
407.4	Amortization of Regulatory Asset	0	0
407.5	Amortization of Regulatory Liability	0	0
408.11	Property Taxes	100,548	110,564
408.12	Payroll Taxes	20,486	13,384
408.13	Other Taxes and Licenses	11,096	20,089
409	Income Taxes	0	0
434	Rate Case Adjustments	0	288,987
	<b>Total Operating Expenses</b>	<b>\$1,818,640</b>	<b>\$1,998,307</b>
	<b>Operating Income / (Loss)</b>	<b>\$505,014</b>	<b>\$479,443</b>
	<b>Other Income / (Expense)</b>		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	41,885	41,857
421	Non-Utility Income	5,227	5,620
426	Miscellaneous Non-Utility (Expense)	(17)	0
427	Interest (Expense)	(124,771)	0
	<b>Total Other Income / (Expense)</b>	<b>(\$77,676)</b>	<b>\$47,477</b>
	<b>Net Income / (Loss)</b>	<b>\$427,338</b>	<b>\$526,920</b>

**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.



SaddleBrooke Utility Company  
Annual Report  
Full time equivalent employees  
12/31/22

**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	0.4	0.0	0.4
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	2.1	0.7	0.0	2.8
Customer Service	0.0	0.2	0.0	0.2
Accounting	0.0	0.0	0.5	0.5
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.4	0.0	0.4
Other	0.0	0.0	0.0	0.0
<b>Total</b>	2.1	1.7	0.5	4.3

**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.

SaddleBrooke Utility 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	1/18/1996	1/25/2022	NA	NA
Source of Loan	IDA Bonds	Wells Fargo	NA	NA
ACC Decision No.	59134	78151	NA	NA
Reason for Loan	Construction	Capital Restruct,PIS	NA	NA
Dollar Amt. Issued	\$3,950,000	\$3,300,000	NA	NA
Amount Outstanding	\$0	\$2,867,857	NA	NA
Date of Maturity	7/1/2019	1/25/2027	NA	NA
Interest Rate	7.25%	4.58%	NA	NA
Current Year Interest	\$0	\$124,770	NA	NA
Current Year Principal	\$0	\$432,143	NA	NA

Meter Deposit Balance at Test Year End:	\$0
---	-----

Meter Deposits Refunded During the Test Year:	\$0
---	-----

***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.***

SaddleBrooke Utility Company  
Annual Report  
Wastewater Utility Plant Description  
12/31/22

### Wastewater Utility Plant Description

Name of System:	Saddlebrooke Utility Company
Wastewater Inventory Number (if applicable):	none
Type of Treatment	other
Design Capacity of Plant (Gallons per day)	1,240,000

### LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)	Year Constructed
Construction Yard	2	3	50	1000	1997
Unit 7	2	6	50	1020	1997
Unit 9	2	10	140	677	1997
Unit 19	2	5	140	888	1995
Unit 27	2	5	120	380	2000
Unit 36	2	35	500	1800	1999
Unit 21 North	2	11	131	1197	2001
Unit 21 South	2	85	275	1795	2001
Unit 46	2	20	600	1800	2003
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	1,772
6 inch	PVC	8,046
<4 inch	PVC	8,002
>6 inch	PVC	2,797
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

### MANHOLES

Type	Quantity
Standard	1,023
Drop	25

### CLEANOUTS

Quantity
135
0
0
0

**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.



SaddleBrooke Utility 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	6,302	4	PVC	5,268
8	PVC	275,296	6	NA	0
10	PVC	2,787	8	NA	0
3	PVC	760	10	NA	0
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			
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.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Centrifuge
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Ultra-violet
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Sand, anthracite, and dual media filters
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Buildings, fences
<b>Other</b> (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Generators, vehicles, microscope

**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.

SaddleBrooke Utility Company  
Annual Report  
Wastewater Flows  
12/31/22

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow (Gallons)	Sewage Flow on Peak Day	Purchased Power Expense <sup>1</sup>	Purchased Power (kWh) <sup>2</sup>
January	5,278	14,581,000	585,000	\$16,597	142,442
February	5,281	14,007,000	658,000	20,318	136,748
March	5,305	13,505,000	580,000	19,506	143,513
April	5,312	14,363,000	669,000	21,314	165,490
May	5,298	12,893,000	851,000	19,480	155,160
June	5,315	10,499,000	386,000	16,164	130,858
July	5,294	10,714,000	443,000	15,743	129,984
August	5,303	11,317,000	556,000	15,849	121,647
September	5,308	10,872,000	427,000	16,384	124,693
October	5,304	12,251,000	444,000	17,803	131,524
November	5,307	13,162,000	393,000	18,199	135,164
December	5,304	13,551,000	377,000	19,198	125,650
	<b>Totals</b>	<b>151,715,000</b>	<b>6,369,000</b>	<b>\$216,555</b>	<b>1,642,873</b>

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Reuse
Groundwater Permit Number	100356
ADEQ Aquifer Protection Permit ("APP") Number	NA
ADEQ Reuse Permit Number	PL100356
EPA NPDES Permil Number	AZ0022853
APP Effluent Treatment Requirement (Class)?	A+
Permitted Flow Rate	1.24 MGD
Permitted Organic Capacity	280 mg/l(BOD design inflow)%
Hydraulic Capacity	3.72 MGD (Peak)%
Type of Biological Treatment	Extended Aeration (EA)

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

None

**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 relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Other Wastewater System Information

**Provide a calculation used to determine the value of one wastewater 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 days.
- (b) If no historical flow data are available, use:  

$$ERC = ( \text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated. Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

**NOTE:** Total gallons treated includes both treated and purchased treatment.

ERC 

78
----

  
 Method used: 

(a)
-----

 (a), (b), other

What is the present system connection capacity (in ERCs \*) using existing lines? 

231
-----

What is the future system connection capacity (in ERCs \*) upon service area buildout? 

226
-----

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Unit 44B - Mains, services, manholes, cleanouts - Estimated completion August 2023

If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.

Saddlebrooke HOA1 18,104,000    Saddlebrooke HOA2 14,567,000    Mountain View HOA 74,149,234

If the utility does not engage in reuse, has a reuse feasibility study been completed? 

N/A
-----

If so, when?

N/A



SaddleBrooke Utility Company  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/22

Utility Shutoffs / Disconnects	
Name of System:	Saddlebrooke Utility 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
<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	\$105,556

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.

4/14/2023, 10:43 AM

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISIONSaddleBrooke Utility Company  
Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/22

## 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:

SaddleBrooke Utility 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.



signature of owner/official

895-9200

telephone no.

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

THIS

12<sup>th</sup>

DAY OF

Maricopa  
(county name)April, 2023  
(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:

SaddleBrooke Utility 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 (\$)

\$2,328,565

(The amount in the box above includes

\$4,911 in sales taxes

billed or collected)



signature of owner/official

895-9200

telephone no.

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

THIS

12<sup>th</sup>

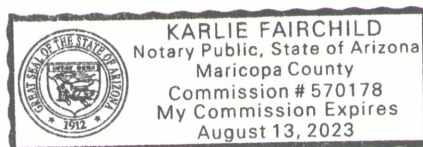
DAY OF

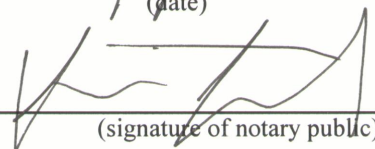
Maricopa  
(county name)

April, 2023  
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023  
(date)



  
(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: SaddleBrooke Utility 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 (\$)

\$2,221,407

(The amount in the box above includes

\$0 in sales taxes  
billed or collected)

  
signature of owner/official

895-9200

telephone no.

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

Maricopa  
(county name)

THIS

12<sup>th</sup>

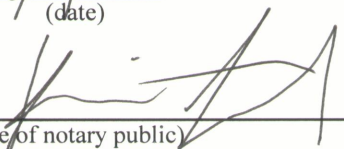
DAY OF

April, 2023  
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023  
(date)



  
(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: SaddleBrooke Utility 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.

Brian Smith  
signature of owner/official

895-9200  
telephone no.

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

Maricopa  
(county name)

THIS

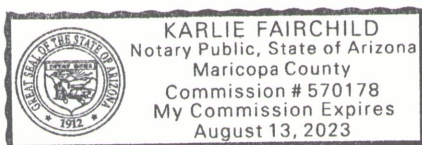
12<sup>th</sup>

DAY OF

April, 2023  
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023  
(date)



[Signature]  
(signature of notary public)