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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT

Of

Company Name: Picacho Water Company
9532 E. Riggs Rd.

Mailing Address: Sun Lakes AZ
85248

Docket No.: W-03528A
For the Year Ended: 12/31/22

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
Application Date: 5/9/2023

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

For the Calendar Year Ended: 12/31/22

Primary Address:

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

Telephone Number:

480-895-9200

Date of Original Organization of Utility:

1998

Person to whom correspondence should be addressed concerning this report:

Name:

Brian Smith

Telephone No. :

480-895-4235

Address:

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

Email:

Brian.Smith@Robson.com

On-Site Manager
Name:

Dave Voorhees

Telephone No. :

480-895-5009

Address:

24607 S Price Rd
City: Sun Lakes State: Arizona Zip Code: 85248

Email:

Dave.Voorhees@Robson.com

Regulatory and Management Contact
Name:

Brian Smith

Telephone No. :

480-895-4235

Address:

9532 E Riggs Rd
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: 85248

Email:

NA

NA
Name:

NA

Telephone No. :

NA

Address:

NA
City: NA State: Arizona Zip Code: 85248

Email:

NA

Ownership:

"S" Corporation

Counties Served:

Pinal

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Picacho Water Company

Important changes during the year
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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 .2283105022831050% ownership interest from the Edward J Robson Family Foundation

N/A	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.
	NA

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	42,445	0	0	42,445	9,919	32,526
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	1,011,769	1,080,076
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	13,385	0	0	13,385	1,213	12,172
311	Pumping Equipment	1,523,495	42,644	0	1,566,139	451,907	1,114,232
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	8,996	500	49,967	(4,403)	54,370
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	878,323	0	0	878,323	436,070	442,253
330.2	Pressure Tanks	6,431	0	0	6,431	(1,011)	7,442
331	Transmission and Distribution Mains	5,226,207	322,861	0	5,549,068	1,672,762	3,876,306
333	Services	934,787	143,799	0	1,078,586	261,938	816,648
334	Meters and Meter Installations	495,413	48,551	9,310	534,654	99,942	434,712
335	Hydrants	708,869	104,289	0	813,158	226,953	586,205
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	14,947	0	0	14,947	6,221	8,726
340.1	Computer & Software	23,300	762	0	24,062	1,476	22,586
341	Transportation Equipment	58,854	0	0	58,854	16,670	42,184
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	7,802	0	0	7,802	(376)	8,178
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	1,510	0	0	1,510	57	1,453
346	Communication Equipment	189,683	4,624	0	194,307	90,980	103,327
347	Miscellaneous Equipment	19,408	0	0	19,408	(4,436)	23,844
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$12,462,071	\$676,526	\$9,810	\$13,128,787	\$4,277,651	\$8,851,136

Picacho Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/22

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$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	42,445	0	0	42,445	0	42,445	3.00%	1,273
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	13,385	0	0	13,385	0	13,385	3.00%	402
311	Pumping Equipment	1,523,495	42,644	0	1,566,139	0	1,566,139	3.00%	46,347
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	8,996	500	49,967	0	49,967	3.00%	1,418
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	878,323	0	0	878,323	0	878,323	3.00%	26,350
330.2	Pressure Tanks	6,431	0	0	6,431	0	6,431	3.00%	193
331	Transmission and Distribution Mains	5,226,207	322,861	0	5,549,068	0	5,549,068	3.00%	160,638
333	Services	934,787	143,799	0	1,078,586	0	1,078,586	3.00%	29,927
334	Meters and Meter Installations	495,413	48,551	9,310	534,654	0	534,654	3.00%	15,668
335	Hydrants	708,869	104,289	0	813,158	0	813,158	3.00%	22,493
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	14,947	0	0	14,947	0	14,947	3.00%	448
340.1	Computer & Software	23,300	762	0	24,062	0	24,062	3.00%	700
341	Transportation Equipment	58,854	0	0	58,854	0	58,854	3.00%	1,766
342	Stores Equipment	0	0	0	0	0	0	3.00%	0
343	Tools, Shop and Garage Equipment	7,802	0	0	7,802	0	7,802	3.00%	234
344	Laboratory Equipment	0	0	0	0	0	0	3.00%	0
345	Power Operated Equipment	1,510	0	0	1,510	0	1,510	3.00%	45
346	Communication Equipment	189,683	4,624	0	194,307	0	194,307	3.00%	5,714
347	Miscellaneous Equipment	19,408	0	0	19,408	0	19,408	3.00%	582
348	Other Tangible Plant	0	0	0	0	0	0	3.00%	0
	Subtotal	\$12,462,071	\$676,526	\$9,810	\$13,128,787	\$183,896	\$12,944,891		\$376,953

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$0</u>
Times: Proposed Amortization Rate	2.91%
Amortization of CIAC	\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE **\$376,953**

Picacho Water Company
Annual Report
Balance Sheet Assets
12/31/22

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current and Accrued Assets			
131	Cash		\$610,399	\$337,519
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		65,201	66,253
142	Other Receivables		0	0
145	Accounts Receivable - Related Party		6,353	6,465
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,628	8,853
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$683,581	\$419,090
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$12,462,071	\$13,128,787
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(3,910,508)	(4,277,651)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$8,551,563	\$8,851,136
	Total Assets		\$9,235,144	\$9,270,226

*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 (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$143,559	\$31,216
232	Notes Payable (Current Portion)		0	0
233	Accounts Payable - Related Party		389,186	557,031
234	Notes Payable to Associated Companies		43,771	36,402
235	Customer Deposits		0	0
236	Accrued Taxes		32,346	31,202
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		14,569	15,005
	Total Current Liabilities		\$623,431	\$670,856
	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
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$623,431	\$670,856
	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		792,210	779,868
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$8,611,712	\$8,599,370
	Total Liabilities and Capital		\$9,235,143	\$9,270,226

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

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2022 - 12/31/2022	Last Year 01/01/2021 - 12/31/2021
	Operating Revenue		
461	Metered Water Revenue	\$1,057,362	\$1,018,529
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	6,546	7,943
	Total Revenues	\$1,063,908	\$1,026,472
	Operating Expenses		
601	Salaries and Wages	\$191,566	\$217,084
603	Salaries and Wages - Officers	6,422	6,422
604	Employee Pensions and Benefits	35,801	34,308
610	Purchased Water	0	0
615	Purchased Power	221,617	220,129
618	Chemicals	8,065	4,246
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	13,945	21,689
620.2	Office Supplies and Expense	19,158	20,821
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	610	615
633	Contractual Services - Legal	98	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,944	1,718
636	Contractual Services - Other	12,996	13,041
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	156	137
650	Transportation Expenses	32,247	21,706
656	Insurance - Vehicles	6,915	6,132
657	Insurance - General Liability	22,393	16,634
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	493	260
675	Miscellaneous Expense	5,852	6,558
403	Depreciation Expense (From Schedule AR4)	376,953	361,761
407.5	Amortization – EADIT	0	0
408	Taxes Other Than Income	5,844	7,446
408.11	Property Taxes	46,752	48,431
408.12	Payroll Taxes	9,341	19,555
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$1,019,168	\$1,028,693
	Operating Income / (Loss)	\$44,740	(\$2,221)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	715	699
426	Miscellaneous Non-Utility (Expense)	(229)	0
427	Interest (Expense)	(1,670)	(708)
	Total Other Income / (Expense)	(\$1,184)	(\$9)
	Net Income / (Loss)	\$43,556	(\$2,230)

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	0.3	0.0	0.3
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.6	0.9	0.0	1.4
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	0.2	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	0.2	0.0	0.2
Other	0.0	0.0	0.0	0.0
Total	1.2	1.4	0.2	2.7

Picacho Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/22

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

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.

Well and Water Usage

[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-XXXXXXX):	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 Expense6	Purchased Power (kWh)7
January	12,448,000.00	10,714,332.00	0.00	0.00	166,000.00	\$9,314	44,266
February	14,460,000.00	15,131,358.00	0.00	0.00	136,000.00	11,637	54,940
March	22,837,000.00	20,038,406.00	0.00	0.00	181,000.00	13,957	73,080
April	35,724,000.00	33,370,389.00	0.00	0.00	174,000.00	20,928	131,320
May	40,276,000.00	38,120,079.00	0.00	0.00	194,000.00	20,670	126,080
June	53,083,000.00	50,100,116.00	0.00	0.00	183,000.00	25,819	168,680
July	49,975,000.00	48,009,228.00	0.00	0.00	191,000.00	28,756	186,620
August	41,547,000.00	38,876,179.00	0.00	0.00	193,000.00	21,114	132,040
September	37,441,000.00	36,601,752.00	0.00	0.00	176,000.00	24,889	156,660
October	33,814,000.00	30,351,750.00	0.00	0.00	182,000.00	18,102	108,720
November	20,579,000.00	17,421,202.00	0.00	0.00	128,000.00	14,448	75,240
December	14,970,000.00	14,291,093.00	0.00	0.00	132,000.00	11,983	60,540
Totals	377,154,000.00	353,025,884.00	0.00	0.00	2,036,000.00	\$221,617	1,318,180

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:		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	44,052
8.00	ACP, DIP, PVC	3,930
12.00	PVC	42,037
16.00	PVC	435
NA	NA	12,442
NA	NA	7,920
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

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	1,760	5%	unknown
0.75	0	0%	unknown
1	14	57%	unknown
1.5	7	71%	unknown
2	30	97%	unknown
2.5	7	100%	unknown
4	2	100%	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

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

FIRE HYDRANTS	
Type	Quantity
Standard *	221
Other	0

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

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

* 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:	Dual Chlorination System (2)
STRUCTURES:	4 Motor Control Panels
OTHER:	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	140
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				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	1,622	0	62	2	7
February	1,641	0	62	2	8
March	1,666	0	62	2	8
April	1,683	0	62	3	8
May	1,694	0	62	2	8
June	1,709	0	62	3	9
July	1,722	0	62	2	9
August	1,710	0	63	3	10
September	1,727	0	63	2	9
October	1,731	0	63	3	9
November	1,751	0	63	2	9
December	1,757	0	63	3	10

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.

Unit 20E Phase II - Mains and Hydrants - Estimated completion April 2023
Unit 25A Phase II - Mains and Hydrants - Estimated completion September 2023

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

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

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
Total	0	0	0

Other (description):

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.

Property Taxes	
----------------	--

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

\$47,607

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.

4/14/2023, 10:43 AM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Picacho Water 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:

Picacho Water Company

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

FOR THE YEAR ENDING:

12/31/22

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

480-895-9200

telephone no.

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

THIS

12th

DAY OF

Maricopa

(county name)

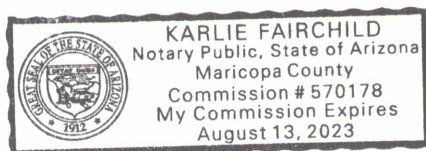
April, 2023

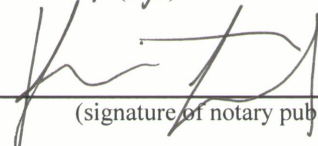
(month) and (year)

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:

Picacho Water Company

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

FOR THE YEAR ENDING: 12/31/22

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 (\$)

\$1,170,333

(The amount in the box above includes

\$106,425 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

12th

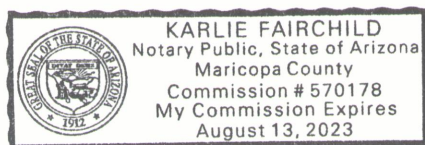
DAY OF

Maricopa
(county name)

April, 2023
(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: 12/31/22

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 (\$)

\$624,880

(The amount in the box above includes

\$56,384 in sales taxes
billed or collected)



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

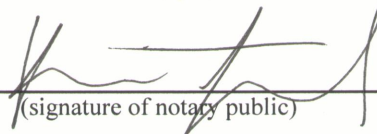
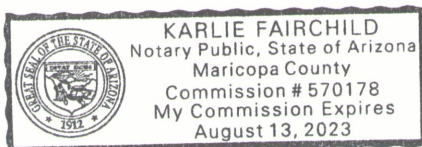
12th

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:

Picacho Water Company

FOR THE YEAR ENDING: 12/31/22

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS NOT INCURRED NOR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.



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

12th

DAY OF

April, 2023

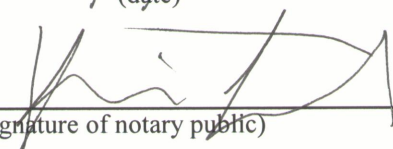
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023

(date)




(signature of notary public)