

ANNUAL REPORT

Of

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

Mailing Address: Sun Lakes AZ
85248

Docket No.: W-02199A
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
Pima Utility 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:

1972

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:

Maricopa

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Pima 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, Pima Utility Company (water and wastewater divisions) repurchased .06009615384457370 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.
	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	0	0	0	0	0	0
303	Land and Land Rights	97,637	0	0	97,637	0	97,637
304	Structures and Improvements	451,328	23,622	16,695	458,255	243,087	215,168
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	1,101,777	0	61,000	1,040,777	218,020	822,757
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	20,225	0	0	20,225	3,129	17,096
311	Pumping Equipment	3,337,843	216,895	28,908	3,525,830	2,152,519	1,373,311
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	108,943	24,179	18,832	114,290	109,375	4,915
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	1,778,586	0	3,416	1,775,170	726,044	1,049,126
330.2	Pressure Tanks	71,072	0	0	71,072	62,707	8,365
331	Transmission and Distribution Mains	3,783,864	8,273	0	3,792,137	2,447,911	1,344,226
333	Services	6,123,448	209,467	39,081	6,293,834	2,284,696	4,009,138
334	Meters and Meter Installations	996,065	42,426	13,932	1,024,559	597,153	427,406
335	Hydrants	901,487	0	0	901,487	773,811	127,676
336	Backflow Prevention Devices	0	1,024	0	1,024	34	990
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	4,518	0	0	4,518	57	4,461
340.1	Computer & Software	103,358	0	0	103,358	44,059	59,299
341	Transportation Equipment	343,777	15,450	0	359,227	358,424	803
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	137,440	2,412	0	139,852	83,749	56,103
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	145,590	0	0	145,590	96,906	48,684
346	Communication Equipment	258,830	5,368	0	264,198	254,729	9,469
347	Miscellaneous Equipment	10,773	0	0	10,773	5,995	4,778
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$19,776,561	\$549,116	\$181,864	\$20,143,813	\$10,462,405	\$9,681,408

Pima Utility 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	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	97,637	0	0	97,637	97,637	0	0.00%	0
304	Structures and Improvements	451,328	23,622	16,695	458,255	0	458,255	3.33%	15,145
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	1,101,777	0	61,000	1,040,777	0	1,040,777	3.33%	35,674
308	Infiltration Galleries	0	0	0	0	0	0	6.67%	0
309	Supply Mains	0	0	0	0	0	0	2.00%	0
310	Power Generation Equipment	20,225	0	0	20,225	0	20,225	5.00%	1,011
311	Pumping Equipment	3,337,843	216,895	28,908	3,525,830	0	3,525,830	8.33%	285,872
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	108,943	24,179	18,832	114,290	0	114,290	20.00%	22,323
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	1,778,586	0	3,416	1,775,170	0	1,775,170	2.22%	39,447
330.2	Pressure Tanks	71,072	0	0	71,072	0	71,072	5.00%	3,554
331	Transmission and Distribution Mains	3,783,864	8,273	0	3,792,137	0	3,792,137	2.00%	75,760
333	Services	6,123,448	209,467	39,081	6,293,834	0	6,293,834	3.33%	206,748
334	Meters and Meter Installations	996,065	42,426	13,932	1,024,559	0	1,024,559	8.33%	84,159
335	Hydrants	901,487	0	0	901,487	0	901,487	2.00%	18,030
336	Backflow Prevention Devices	0	1,024	0	1,024	0	1,024	6.67%	34
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	6.67%	0
340	Office Furniture and Equipment	4,518	0	0	4,518	0	4,518	6.67%	301
340.1	Computer & Software	103,358	0	0	103,358	0	103,358	20.00%	20,672
341	Transportation Equipment	343,777	15,450	0	359,227	0	359,227	20.00%	70,300
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	137,440	2,412	0	139,852	0	139,852	5.00%	6,932
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	145,590	0	0	145,590	0	145,590	5.00%	7,280
346	Communication Equipment	258,830	5,368	0	264,198	253,689	10,509	10.00%	783
347	Miscellaneous Equipment	10,773	0	0	10,773	275	10,498	10.00%	1,050
348	Other Tangible Plant	0	0	0	0	0	0	10.00%	0
	Subtotal	\$19,776,561	\$549,116	\$181,864	\$20,143,813	\$351,601	\$19,792,212		\$895,073

Contribution(s) in Aid of Construction (Gross)	\$963,772
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$963,772</u>
Times: Proposed Amortization Rate	4.52%
Amortization of CIAC	\$43,585

Less: Amortization of CIAC \$43,585

DEPRECIATION EXPENSE **\$851,488**

Pima 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)
Account No.	Current and Accrued Assets			
131	Cash		\$172,589	\$437,620
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		250,517	194,519
142	Other Receivables		0	0
145	Accounts Receivable - Related Party		0	0
146	Notes Receivable from Associated Companies		1,315,514	2,395,564
151	Plant Material and Supplies		0	0
162	Prepayments		16,506	16,699
174	Miscellaneous Current and Accrued Assets		0	0
181	Unamortized Debt Discounts		673	0
	Total Current and Accrued Assets		\$1,755,799	\$3,044,402
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$31,937	\$0
	Total Deferred Debits		\$31,937	\$0
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$19,777,106	\$20,143,813
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,352,591	1,567,082
108	Accumulated Depreciation (enter as negative)*		(9,749,196)	(10,462,405)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$11,380,501	\$11,248,490
	Total Assets		\$13,168,237	\$14,292,892

*Note these items feed automatically from AR3 UPIS Page 4

Pima 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)
Account No.	Current Liabilities			
231	Accounts Payable		\$72,229	\$110,456
232	Notes Payable (Current Portion)		279,000	0
233	Accounts Payable - Related Party		8,563	7,804
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		6,866	5,612
236	Accrued Taxes		85,731	79,280
237	Accrued Interest		10,929	0
242	Miscellaneous Current and Accrued Liabilities		140,458	139,447
	Total Current Liabilities		\$603,776	\$342,599
	Long Term Debt			
223	Advances from Associated Companies		\$4,313,833	\$3,276,425
224	Long Term Debt (Notes and Bonds)		2,673,750	0
	Total Long Term Debt		\$6,987,583	\$3,276,425
	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		963,772	963,772
272	Less: Amortization of Contributions		(773,046)	(816,631)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$190,726	\$147,141
	Total Liabilities		\$7,782,085	\$3,766,165
	Capital Accounts			
201	Common Stock Issued		\$107,416	\$107,416
211	Other Paid-In Capital		6,763,835	12,263,837
215	Retained Earnings		(1,485,099)	(1,844,526)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$5,386,152	\$10,526,727
	Total Liabilities and Capital		\$13,168,237	\$14,292,892

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

Pima Utility Company
Annual Report
Water Comparative Income Statement
12/31/22

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	\$2,497,281	\$2,616,367
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	32,018	39,408
	Total Revenues	\$2,529,299	\$2,655,775
	Operating Expenses		
601	Salaries and Wages	\$555,375	\$531,903
603	Salaries and Wages - Officers	42,891	42,891
604	Employee Pensions and Benefits	92,757	100,087
610	Purchased Water	0	0
615	Purchased Power	412,094	282,030
618	Chemicals	18,763	15,808
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	67,643	50,760
620.2	Office Supplies and Expense	92,553	100,743
630	Contractual Services	0	0
631	Contractual Services -Engineering	603	0
632	Contractual Services - Accounting	5,663	9,093
633	Contractual Services - Legal	3,659	390
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	6,829	5,374
636	Contractual Services - Other	86,004	90,585
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	9,709	2,757
650	Transportation Expenses	37,352	27,773
656	Insurance - Vehicles	35,779	27,074
657	Insurance - General Liability	85,421	82,314
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	2,305	0
670	Bad Debt Expense	5,029	11,007
675	Miscellaneous Expense	20,194	24,836
403	Depreciation Expense (From Schedule AR4)	851,488	816,934
408	Taxes Other Than Income	26,396	31,782
408.11	Property Taxes	115,535	121,088
408.12	Payroll Taxes	40,054	32,447
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
434	Rate Case Adjustments	0	0
	Total Operating Expenses	\$2,614,096	\$2,407,676
	Operating Income / (Loss)	(\$84,797)	\$248,099
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	1,803	1,877
426	Miscellaneous Non-Utility (Expense)	(1,268)	(335)
427	Interest (Expense)	(74,816)	(138,539)
	Total Other Income / (Expense)	(\$74,281)	(\$136,997)
	Net Income / (Loss)	(\$159,078)	\$111,102

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	0.1	0.1
Manager	0.3	1.1	0.0	1.4
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	7.1	0.0	0.0	7.1
Meter reader	0.8	0.0	0.0	0.8
Customer Service	0.6	0.0	0.0	0.6
Accounting	0.0	0.0	0.9	0.9
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.4	0.0	0.0	0.4
Other	0.0	0.0	0.0	0.0
Total	9.2	1.2	1.0	11.3

Pima 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	Loan #1	Loan #2	Loan #3	Loan #4
Source of Loan	8/6/2012	7/13/2017	NA	NA
ACC Decision No.	Wells Fargo	Wells Fargo	NA	NA
Reason for Loan	73078	75985	NA	NA
Dollar Amt. Issued	Refinance/Const	Refinance/Const	NA	NA
Amount Outstanding	\$ 4,185,000.00	\$ 4,185,000.00	NA	NA
Date of Maturity	\$ -	\$ -	NA	NA
Interest Rate	7/25/2017	7/10/2022	NA	NA
Current Year Interest	3.0350%	4.1650%	NA	NA
Current Year Principal	\$ -	\$ 129,878.21	NA	NA
	\$ -	\$ 279,000.00	NA	NA

Meter Deposit Balance at Test Year End:	\$5,612
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Meter Deposits Refunded During the Test Year:	\$1,254
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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:		PIMA UTILITIES COMPANY									
ADEQ Public Water System Number:		AZ0407120									
ADWR PCC Number:		91-000234.0000									
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 2012	Meter Size (inches)	How measured:	Active
55-520891	150	1,600	900	20 / 16	submersible	1988	unknown	166 ft	10", 8", 10"	metered	Yes
55-625796	200	1,700	600	20	turbine	1952	unknown	165 ft	12	metered	Yes
55-806730	200	1,200	861	16	turbine	rehab 1994	unknown	128 ft	12	metered	Yes
55-566937	200	1,500	910	20	turbine	1999	unknown	144 ft	12	metered	Yes
55-625798	125	1,100	820	20	turbine	1947	unknown	167 ft	10	metered	Yes
55-625799	250	2,200	750	16	turbine	1950	unknown	188 ft	10	metered	Yes
55-625800	150	1,600	502	14	turbine	1955	unknown	170 ft	8	metered	Yes
55-514527	150	1,500	875	20 / 16	turbine	1986	unknown	128 ft	8	metered	Yes
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Name of system water delivered to:	NA	
ADWR PCC Number:	#N/A	
Source of water delivered to another system	NA	
Name of system water received from:	NA	
ADWR PCC Number:	#N/A	
Source of water received	NA	
Well registry 55# (55-XXXXXX):	NA	

Month	Water withdrawn (gallons) ¹	Water sold (gallons) ²	Water delivered (sold) to other systems (gallons) ³	Water received (purchased) from other systems (gallons) ⁴	Estimated authorized use (gallons) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	105,611,000.00	85,797,807.00	0.00	0.00	2,896,000.00	\$20,154	225,017
February	104,099,000.00	104,116,471.00	0.00	0.00	2,903,000.00	20,058	225,147
March	132,105,000.00	109,541,539.00	0.00	0.00	3,187,000.00	24,763	276,922
April	172,810,000.00	154,546,103.00	0.00	0.00	3,145,000.00	33,956	341,630
May	214,329,000.00	194,542,086.00	0.00	0.00	2,562,000.00	37,884	385,972
June	217,999,000.00	201,555,832.00	0.00	0.00	2,305,000.00	38,328	400,536
July	229,393,000.00	205,560,998.00	0.00	0.00	2,997,000.00	47,559	421,770
August	157,695,000.00	139,526,285.00	0.00	0.00	2,923,000.00	36,684	289,045
September	164,609,000.00	155,848,910.00	0.00	0.00	3,190,000.00	36,731	301,409
October	175,664,000.00	158,441,212.00	0.00	0.00	2,275,000.00	40,077	337,223
November	130,261,000.00	111,307,845.00	0.00	0.00	3,040,000.00	32,041	267,302
December	91,320,000.00	77,748,463.00	0.00	0.00	2,863,000.00	26,463	204,905
Totals	1,895,895,000.00	1,698,533,551.00	0.00	0.00	34,286,000.00	\$394,700	3,676,878

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:		PIMA UTILITIES COMPANY	
ADEQ Public Water System Number:		AZ0407120	
ADWR PCC Number:		91-000234.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	221
4.00	PVC	7,031
6.00	PVC	306,747
8.00	PVC	96,682
10.00	PVC	43,488
12.00	PVC	13,527
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

SERVICE LINES			
Material	Percent of system	Year installed	
Black Poly	10%	unknown	
Copper	90%	~1999	
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	9,806	28%	unknown
0.75	1	100%	unknown
1	304	78%	unknown
1.5	15	80%	unknown
2	100	91%	unknown
2.5	7	100%	unknown
4	1	100%	unknown
8	3	100%	unknown
10	3	100%	unknown
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
75	650	4	
40	450	2	
25	250	8	
60	500	1	

FIRE HYDRANTS	
Type	Quantity
Standard *	709
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
400,000	carbon steel	1	1972
600,000	carbon steel	1	1986
750,000	carbon steel	2	1996, 1999
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	1	1999
15,000	Steel	1	1996
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)
--

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

TREATMENT EQUIPMENT:	Chlorinators (6)
STRUCTURES:	Fences, Enclosures, Storage
OTHER:	Pumps, hoses, vehicles, generators

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:

$$\text{ERC} = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC	213
Method used:	(a)

Customer and Other Information	
Name of the System:	PIMA UTILITIES COMPANY
ADEQ Public Water System Number:	AZ0407120
ADWR PCC Number:	91-000234.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	10,031	0	233	8	3
February	10,036	0	231	8	5
March	10,045	0	231	8	7
April	10,074	0	231	8	7
May	10,072	0	231	8	7
June	10,061	0	231	8	6
July	10,046	0	231	8	6
August	10,037	0	231	8	6
September	10,040	0	232	8	7
October	10,038	0	232	8	6
November	10,040	0	232	8	6
December	10,030	0	232	8	6

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.

Well 34 replacement. Estimated Completion 2023

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

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

Utility Shutoffs / Disconnects	
Name of the System:	PIMA UTILITIES COMPANY
ADEQ Public Water System Number:	AZ0407120
ADWR PCC Number:	91-000234.0000

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	19	0
December	0	5	0
Total	0	24	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
--

\$118,062

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

Pima Utility Company
Annual Report
Verification and Sworn Statement (Taxes)
12/31/22

water

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: Pima 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

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)

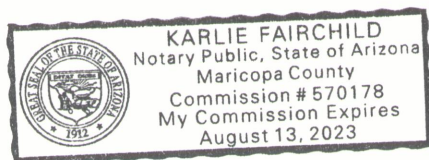
April, 2023

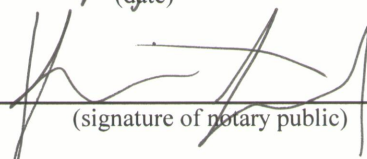
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023

(date)




(signature of notary public)

water

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:

Pima 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 (\$)

\$2,699,156

(The amount in the box above includes

\$169,858

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

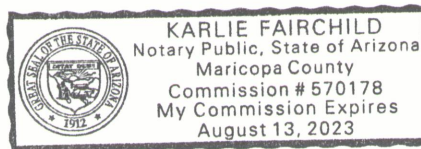
Maricopa
(county name)

April, 2023

(month) and (year)

MY COMMISSION EXPIRES

8/13/2023
(date)



[Signature]
(signature of notary public)

water

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:

Pima 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 (\$)

\$1,868,065

(The amount in the box above includes

\$115,466 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

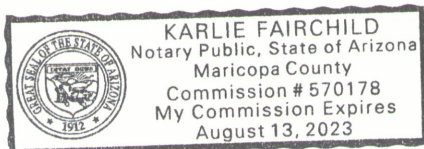
12th

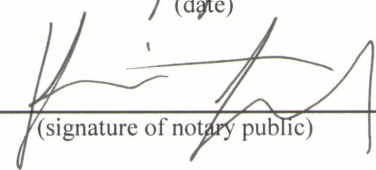
DAY OF

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: Pima 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.

[Signature]

signature of owner/official

480-895-9200

telephone no.

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

Maricopa
(county name)

THIS

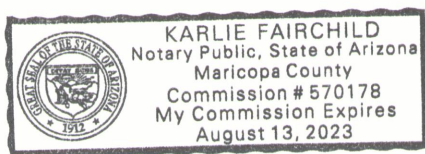
17th

DAY OF

April, 2023
(month) and (year)

MY COMMISSION EXPIRES

8/13/2023
(date)



[Signature]
(signature of notary public)