

ANNUAL REPORT

Of

Company Name: Sahuarita Water Company L.L.C.
4549 E. Fort Lowell Rd.

Mailing Address: Tucson AZ
85712

Docket No.: W-03718A
For the Year Ended: 12/31/22

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**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

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

Application Type: Original Filing
Application Date: 4/5/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Sahuarita Water Company L.L.C.
A Class **B** Utility

For the Calendar Year Ended: 12/31/22

Primary Address: 4549 East Ft Lowell Road
City: Tucson State: Arizona Zip Code: 85712

Telephone Number: 520-299-8766

Date of Original Organization of Utility: 6/21/1995

Person to whom correspondence should be addressed concerning this report:

Name: Marian Homiak
Telephone No. : 520-299-8766
Address: 4549 East Ft Lowell Road
City: Tucson State: Arizona Zip Code: 85712
Email: marian@ranchosahuarita.com

Regulatory and Management Contact

Name: Marian Homiak
Telephone No. : 520-299-8766
Address: 4549 East Ft Lowell Road
City: Tucson State: Arizona Zip Code: 85712
Email: marian@ranchosahuarita.com

On-Site Manager

Name: Chris Ward
Telephone No. : 520-399-1105
Address: 725 W Via Rancho Sahuarita
City: Sahuarita State: Arizona Zip Code: 85929
Email: chris.ward@sahuaritawater.com

Statutory Agent

Name: Jay Shapiro
Telephone No. : 602-954-9084
Address: 1819 E Morten Ave, Suite 280
City: Phoenix State: Arizona Zip Code: 85020
Email: jay@shapslawaz.com

Attorney

Name: Jay Shapiro
Telephone No. : 602-954-9084
Address: 1819 E Morten Ave, Suite 280
City: Phoenix State: Arizona Zip Code: 85020
Email: jay@shapslawaz.com

Ownership: Limited Liability Company ("LLC")

Counties Served: Pima

Important changes during the year

No	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.
	No

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.
	No

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$7,541	\$0	\$0	\$7,541	\$0	\$7,541
302	Franchises	352,403	0	0	352,403	0	352,403
303	Land and Land Rights	13,636	0	0	13,636	0	13,636
304	Structures and Improvements	429,519	2,410	0	431,929	192,466	239,463
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	2,122,954	0	0	2,122,954	798,241	1,324,713
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	557,395	1,343	885	557,853	322,602	235,251
311	Pumping Equipment	272,863	8,563	3,208	278,218	278,217	1
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	1,499,569	0	0	1,499,569	347,603	1,151,966
320.2	Solution Chemical Feeders	48,577	0	0	48,577	48,577	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
320.4	Arsenic Media	130,000	0	130,000	0	(219,826)	219,826
320.5	Arsenic Media Regeneration	349,643	216,154	181,693	384,104	283,917	100,187
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	1,834,478	0	0	1,834,478	696,932	1,137,546
330.2	Pressure Tanks	38,199	0	0	38,199	25,320	12,879
331	Transmission and Distribution Mains	16,324,807	217,749	0	16,542,556	4,383,550	12,159,006
333	Services	3,855,553	2,318,077	0	6,173,630	1,340,079	4,833,551
334	Meters and Meter Installations	1,765,120	176,120	51,117	1,890,123	1,718,946	171,177
335	Hydrants	1,074,562	249,206	0	1,323,768	226,039	1,097,729
336	Backflow Prevention Devices	1,660	0	0	1,660	1,342	318
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	164,450	0	0	164,450	63,350	101,100
340.1	Computer & Software	156,430	25,307	2,893	178,844	126,410	52,434
341	Transportation Equipment	214,394	0	0	214,394	194,548	19,846
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	49,573	0	0	49,573	27,572	22,001
344	Laboratory Equipment	132	0	0	132	132	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	603,812	1,607	0	605,419	595,141	10,278
347	Miscellaneous Equipment	695	0	0	695	695	0
348	Other Tangible Plant	1,014,554	0	0	1,014,554	1,014,554	0
	Totals	\$32,882,519	\$3,216,536	\$369,796	\$35,729,259	\$12,466,407	\$23,262,852

Sahuarita Water Company L.L.C.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/22

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	\$7,541	\$0	\$0	\$7,541	\$7,541	\$0	0.00%	\$0
302	Franchises	352,403	0	0	352,403	352,403	0	0.00%	0
303	Land and Land Rights	13,636	0	0	13,636	13,636	0	0.00%	0
304	Structures and Improvements	429,519	2,410	0	431,929	0	431,929	3.33%	14,343
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	2,122,954	0	0	2,122,954	0	2,122,954	3.33%	70,694
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	557,853	1,343	885	557,853	0	557,853	5.00%	27,881
311	Pumping Equipment	272,863	8,563	3,208	278,218	22,710	255,508	12.50%	31,604
320.1	Water Treatment Equipment	1,499,569	0	0	1,499,569	0	1,499,569	3.33%	49,936
320.2	Solution Chemical Feeders	48,577	0	0	48,577	48,577	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
320.4	Arsenic Media	130,000	0	130,000	0	0	0	0.00%	0
320.5	Arsenic Media Regeneration	349,643	216,154	181,693	384,104	0	384,104	40.00%	146,749
330	Distribution Reservoirs and Standpipes	1,834,478	0	0	1,834,478	0	1,834,478	2.22%	40,725
330.1	Storage Tanks	38,199	0	0	38,199	0	38,199	5.00%	1,910
330.2	Pressure Tanks	16,324,807	217,749	0	16,542,556	0	16,542,556	2.00%	328,674
331	Transmission and Distribution Mains	3,855,553	2,318,077	0	6,173,630	0	6,173,630	3.33%	166,986
333	Services	1,765,120	176,120	51,117	1,890,123	0	1,890,123	8.33%	152,241
334	Meters and Meter Installations	1,074,562	249,206	0	1,323,768	0	1,323,768	2.00%	23,983
335	Hydrants	1,660	0	0	1,660	0	1,660	6.67%	111
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	164,450	0	0	164,450	0	164,450	6.67%	10,969
340	Office Furniture and Equipment	156,430	25,307	2,893	178,844	156,430	22,414	20.00%	2,241
340.1	Computer & Software	214,394	0	0	214,394	107,145	107,249	20.00%	21,450
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	49,573	0	0	49,573	0	49,573	5.00%	2,479
343	Tools, Shop and Garage Equipment	132	0	0	132	132	0	10.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	5.00%	0
345	Power Operated Equipment	603,812	1,607	0	605,419	593,515	11,904	10.00%	1,110
346	Communication Equipment	695	0	0	695	695	0	10.00%	0
347	Miscellaneous Equipment	1,014,554	0	0	1,014,554	1,014,554	0	10.00%	0
348	Other Tangible Plant	\$32,882,519	\$3,216,536	\$369,796	\$35,729,259	\$2,317,338	\$33,411,921		\$1,098,422
	Subtotal								

Contribution(s) in Aid of Construction (Gross) \$14,163,956
Less: Non Amortizable Contribution(s) 0
Fully Amortized Contribution(s) 3,594,431
Amortizable Contribution(s) \$10,569,525
Times: Proposed Amortization Rate 3.29%
Amortization of CIAC \$347,475

Less: Amortization of CIAC \$347,475
DEPRECIATION EXPENSE \$750,947

Sahuarita Water Company L.L.C.
 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		\$3,880,595	\$3,297,771
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		326	(6,599)
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		27,721	49,738
162	Prepayments		198,303	221,439
174	Miscellaneous Current and Accrued Assets		235,561	238,686
	Total Current and Accrued Assets		\$4,342,506	\$3,801,035
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$32,882,519	\$35,729,259
103	Property Held for Future Use		426,372	115,758
105	Construction Work in Progress		147,421	1,690,042
108	Accumulated Depreciation (enter as negative)*		(11,737,779)	(12,466,407)
121	Non-Utility Property		10,741	11,946
122	Accumulated Depreciation - Non Utility		(7,726)	(8,138)
	Total Fixed Assets		\$21,721,548	\$25,072,460
	Total Assets		\$26,064,054	\$28,873,494

*Note these items feed automatically from AR3 UPIS Page 4

Sahuarita Water Company L.L.C.
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		\$0	(\$1,801)
232	Notes Payable (Current Portion)		211,822	211,822
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		152,155	171,210
236	Accrued Taxes		30,678	32,233
237	Accrued Interest		4,249	6,977
242	Miscellaneous Current and Accrued Liabilities		234,224	400,089
	Total Current Liabilities		\$633,128	\$820,531
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$1,187,338	\$1,031,300
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		4,018,015	6,007,702
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		13,526,968	14,163,956
272	Less: Amortization of Contributions		(3,594,431)	(3,941,906)
281	Accumulated Deferred Income Tax		0	
	Total Deferred Credits		\$13,950,552	\$16,229,752
	Total Liabilities		\$15,771,018	\$18,081,582
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		1,349,648	498,876
218	Proprietary Capital (Sole Props and Partnerships)		8,943,387	10,293,035
	Total Capital		\$10,293,035	\$10,791,911
	Total Liabilities and Capital		\$26,064,053	\$28,873,493

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

Sahuarita Water Company L.L.C.
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	\$4,345,404	\$4,524,821
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	48,687	50,964
474	Other Water Revenue	78,795	17,844
	Total Revenues	\$4,472,887	\$4,593,629
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	1,164,441	943,753
615	Purchased Power	204,439	179,954
618	Chemicals	30,037	21,478
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	163,781	93,256
620.2	Office Supplies and Expense	15,821	11,618
630	Contractual Services	15,406	16,440
631	Contractual Services - Engineering	15,213	4,989
632	Contractual Services - Accounting	26,932	14,414
633	Contractual Services - Legal	2,060	3,064
634	Contractual Services - Management Fees	1,088,536	1,149,246
635	Contractual Services - Water Testing	15,447	13,753
636	Contractual Services - Other	164,120	134,254
640	Rents	0	0
641	Rental of Building/Real Property	1,538	1,538
642	Rental of Equipment	0	0
650	Transportation Expenses	38,006	22,411
657	Insurance - General Liability	22,488	18,162
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	(28)	24
675	Miscellaneous Expense	12,849	9,351
403	Depreciation Expense (From Schedule AR4)	750,947	648,002
408	Taxes Other Than Income	0	0
408.11	Property Taxes	199,736	213,649
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	10,568	8,252
	Total Operating Expenses	\$3,942,337	\$3,507,608
	Operating Income / (Loss)	\$530,550	\$1,086,021
	Other Income / (Expense)		
419	Interest and Dividend Income	\$9,357	\$14,961
421	Non-Utility Income	16,680	29,612
426	Miscellaneous Non-Utility (Expense)	(1,928)	(5,944)
427	Interest (Expense)	(55,784)	(68,335)
	Total Other Income / (Expense)	(\$31,674)	(\$29,706)
	Net Income / (Loss)	\$498,876	\$1,056,315

Sahuarita Water Company L.L.C.
 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	2.0	0.5	0.0	2.5
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	4.3	0.0	0.0	4.3
Meter reader	0.0	0.0	0.0	0.0
Customer Service	3.0	0.0	0.0	3.0
Accounting	0.9	0.2	0.0	1.1
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	1.0	0.0	0.0	1.0
Other	0.0	0.0	0.0	0.0
Total	11.2	0.7	0.0	11.9

Sahuarita Water Company L.L.C.
 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	9/4/2009	1/0/1900	1/0/1900	1/0/1900
Source of Loan	WIFA	0	0	0
ACC Decision No.	70984	0	0	0
Reason for Loan	Arsenic Treatment	0	0	0
Dollar Amt. Issued	\$4,694,523	\$0	\$0	\$0
Amount Outstanding	\$1,243,122	\$0	\$0	\$0
Date of Maturity	9/1/2029	1/0/1900	1/0/1900	1/0/1900
Interest Rate	4.20%	0.00%	0.00%	0.00%
Current Year Interest	\$55,784	\$0	\$0	\$0
Current Year Principal	\$156,038	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$163,502
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Meter Deposits Refunded During the Test Year:	\$23,334
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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:		SAHUARITA WATER COMPANY									
ADEQ Public Water System Number:		AZ0410312									
ADWR PCC Number:		91-000495.0000									
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2011	Water level 2021	Meter Size (inches)	How measured:	Active
55-611144	300	1,600	905	24	Turbine	1975	267	227	10	Metered	Yes
55-216840	300	1,800	1,080	18	Turbine	2008	362	330	10	Metered	Yes
55-611172	400	1,800	1,135	24	Turbine	1970	245	206	10	Metered	Yes
55-611141	not equipped	0	982	24	0	1970	0	0	0	N/A	No
55-611143	not equipped	0	1,053	24	0	1974	0	0	0	N/A	No
55-611145	not equipped	0	990	24	0	1981	0	0	0	N/A	No
55-611146	not equipped	0	973	16	0	1969	0	0	0	N/A	No
55-562962	not equipped	0	500	8	0	1997	0	0	0	N/A	No
0	0	0	0	0	0	0	0	0	0	N/A	N/A
0	0	0	0	0	0	0	0	0	0	N/A	Yes
0	0	0	0	0	0	0	0	0	0	N/A	N/A
0	0	0	0	0	0	0	0	0	0	N/A	N/A
0	0	0	0	0	0	0	0	0	0	N/A	N/A
0	0	0	0	0	0	0	0	0	0	N/A	N/A
0	0	0	0	0	0	0	0	0	0	N/A	N/A
0	0	0	0	0	0	0	0	0	0	N/A	N/A
0	0	0	0	0	0	0	0	0	0	N/A	N/A

Name of system water delivered to:	SAHUARITA VILLAGE WATER CO
ADWR PCC Number:	91-000443.0000
Source of water delivered to another system	Ground Water
Name of system water received from:	NA
ADWR PCC Number:	#N/A
Source of water received	Ground Water
Well registry 55# (55-XXXXXX):	N/A

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	41,462,000.00	36,273,000.00	1,627,000.00	0.00	226,800.00	\$8,195	96,756
February	49,260,000.00	33,777,000.00	2,986,000.00	0.00	253,600.00	9,254	103,161
March	48,737,000.00	41,990,120.00	2,885,310.00	0.00	39,600.00	9,850	97,961
April	48,048,000.00	40,182,000.00	5,153,000.00	0.00	9,600.00	12,663	123,152
May	56,218,000.00	46,521,000.00	6,878,000.00	0.00	9,600.00	16,295	138,870
June	66,971,000.00	55,488,000.00	7,897,000.00	0.00	9,600.00	17,746	156,158
July	56,233,000.00	46,475,000.00	6,596,000.00	0.00	9,600.00	9,608	131,877
August	48,352,000.00	43,858,000.00	1,559,000.00	0.00	9,653.00	13,049	112,919
September	53,934,000.00	44,253,000.00	6,083,000.00	0.00	59,600.00	17,625	145,405
October	45,782,000.00	39,988,000.00	2,252,000.00	0.00	15,600.00	11,509	106,744
November	55,039,000.00	45,722,000.00	6,498,000.00	0.00	15,600.00	15,338	114,541
December	42,856,000.00	38,349,000.00	1,250,000.00	0.00	15,600.00	6,695	95,821
Totals	603,892,000.00	512,876,120.00	51,664,310.00	0.00	676,453.00	\$147,828	1,423,364

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

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 (main, 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:	SAHUARITA WATER COMPANY
ADEQ Public Water System Number:	AZ0410312
ADWR PCC Number:	91-000495.0000

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	PVC & DI	6,506
6.00	PVC & DI	27,971
8.00	PVC & DI	215,030
12.00	PVC & DI	76,119
16.00	PVC & DI	12,886
24.00	PVC & DI	7,180
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	5,570	64%	28%
0.75	876	59%	33%
1	158	36%	47%
1.5	30	23%	50%
2	88	8%	73%
3	2	0%	100%
4	3	33%	67%
6	2	100%	0%
NA	NA	80%	93%
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

SERVICE LINES		
Material	Percent of system	Year installed
Copper	100%	9-present
NA	0%	0
NA	0%	0
NA	0%	0
NA	0%	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	250	1
20	250	1
25	550	2
30	325	1
40	630	2
50	800	2
75	850	2
100	1,000	1

FIRE HYDRANTS	
Type	Quantity
Standard *	519
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
1,200,000	Steel	1	2006
1,000,000	Steel	1	1999
350,000	Steel	1	2003
		0	0
		0	0
		0	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	2	1999
5,000	Steel	1	2000
5,000	Steel	1	2003
5,000	Steel	1	2004
5,000	Steel	1	2009
0	0	0	0

* 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:	2,000 gpm Arsenic Treatment Plant
-----------------------------	-----------------------------------

STRUCTURES:	Modular office building. Two 20 ft Conex storage containers. Walls and gates surrounding storage yards, wells, reservoirs, booster pumps and our Arsenic Treatment Plant.
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OTHER:	Stand - by power generators at these sites: one 400 kW at Booster Station 1, one 230kW at Booster Station 2 and on 500 kW at well 23 also serving our Arsenic Treatment Plant.
---------------	--

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

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 Method used:

(a)

Customer and Other Information	
Name of the System:	SAHUARITA WATER COMPANY
ADEQ Public Water System Number:	AZ0410312
ADWR PCC Number:	91-000495.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	6,172	0	51	147	53
February	6,214	0	51	150	53
March	6,256	0	32	150	52
April	6,288	0	51	151	53
May	6,306	0	53	157	53
June	6,336	0	52	160	53
July	6,358	0	52	160	54
August	6,368	0	51	163	51
September	6,384	0	51	163	52
October	6,412	0	51	163	51
November	6,426	0	52	163	51
December	6,451	0	50	163	50

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.
 2022, new 600,000 gal gravity reservoir and 4000+ Transmission main * We do not have enough information on the ERC calculation as it is not a standard engineering unit used by SWC or it's engineer. The same go's for the ERC capacity at buildout.

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

Sahuarita Water Company L.L.C.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	SAHUARITA WATER COMPANY
ADEQ Public Water System Number:	AZ0410312
ADWR PCC Number:	91-000495.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	118	0
March	0	64	0
April	0	5	0
May	0	43	0
June	0	48	0
July	0	26	0
August	0	33	0
September	0	29	0
October	0	44	0
November	0	52	0
December	0	15	0
Total	0	477	0

Other (description):

NA

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

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2021 was	\$206,010

If no property taxes paid, explain why.

The amount of actual property taxes paid is for Calendar Year 2022 and this is the actual property taxes paid for utility plant only.

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

Verification and Sworn Statement (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Marian Homiak, Controller
Company name: Sahuarita Water Company L.L.C.

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.

Marian Homiak

signature of owner/official

520-299-8766

telephone no.

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

THIS

5th

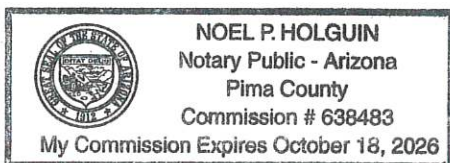
DAY OF

Pima County
(county name)

April 2023
(month) and (year)

MY COMMISSION EXPIRES

10/18/26
(date)



Noel P. Holguin
(signature of notary/public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Pima
Name (owner or official) title: Marian Homiak, Controller
Company name: Sahuarita Water Company L.L.C.

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 (\$)

\$4,815,774

(The amount in the box above includes

\$360,601 in sales taxes

billed or collected)

Marian Homiak

signature of owner/official

520-299-8766

telephone no.

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

Pima County
(county name)

THIS

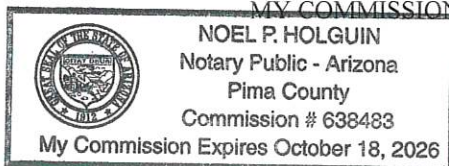
5th

DAY OF

April 2023
(month) and (year)

MY COMMISSION EXPIRES

10/18/26
(date)



Noel P. Holguin

(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): Pima
Name (owner or official) title: Marian Homiak, Controller
Company name: Sahuarita Water Company L.L.C.

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 (\$)

\$3,626,090

(The amount in the box above includes

\$271,705 in sales taxes
billed or collected)

Marian Homiak
signature of owner/official

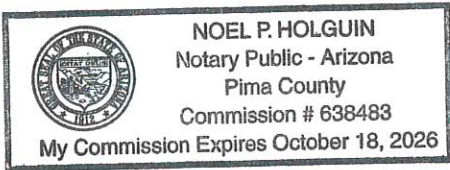
520-299-8766
telephone no.

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

Pima County
(county name)

THIS 5th DAY OF April 2023
(month) and (year)

MY COMMISSION EXPIRES 10/18/26
(date)



Noel P. Holguin
(signature of notary public)

Self-pay Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Pima
Name (owner or official) title: Marian Homiak, Controller
Company name: Sahuarita Water Company L.L.C.

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 INCURRED OR 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.

Statement not necessary and should not be completed, signed and notarized.

signature of owner/official

520-299-8766
telephone no.

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

(county name)

THIS _____ DAY OF _____
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(signature of notary public)