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**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

ANNUAL REPORT

Of

Company Name: Sandario Water Company, Inc.
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-01831A
For the Year Ended: 12/31/21

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@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: 4/12/2022

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Sandario Water Company, Inc.
A Class Utility

For the Calendar Year Ended:

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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

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

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

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

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

Ownership:

Counties Served:

Important changes during the year

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.
	N/A

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

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	\$650	\$0	\$0	\$650	\$0	\$650
302	Franchises	450	0	0	450	0	450
303	Land and Land Rights	850	1,000	0	1,850	0	1,850
304	Structures and Improvements	24,301	0	0	24,301	23,496	805
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	59,057	0	0	59,057	52,623	6,434
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	213,819	2,021	0	215,840	181,985	33,855
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	4,028	0	0	4,028	4,028	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	33,307	0	0	33,307	33,307	0
330.1	Storage Tanks	14,551	0	0	14,551	13,484	1,067
330.2	Pressure Tanks	16,702	0	0	16,702	9,406	7,296
331	Transmission and Distribution Mains	571,309	2,947	0	574,256	497,607	76,649
333	Services	67,518	5,226	0	72,744	48,882	23,862
334	Meters and Meter Installations	101,040	4,250	0	105,290	34,764	70,526
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	30,500	0	0	30,500	9,155	21,345
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	4,091	0	4,091	205	3,886
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,138,082	\$19,535	\$0	\$1,157,617	\$908,942	\$248,675

Sandario Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/21

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	\$650	\$0	\$0	\$650	\$650	\$0	0.00%	\$0
302	Franchises	450	0	0	450	450	0	0.00%	0
303	Land and Land Rights	850	1,000	0	1,850	850	1,000	0.00%	0
304	Structures and Improvements	24,301	0	0	24,301	22,193	2,108	3.33%	70
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	59,057	0	0	59,057	32,542	26,515	3.33%	883
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	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	213,819	2,021	0	215,840	146,046	69,794	12.50%	8,598
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	4,028	0	0	4,028	4,028	0	20.00%	124
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	33,307	0	0	33,307	33,307	0	2.22%	0
330.1	Storage Tanks	14,551	0	0	14,551	0	14,551	2.22%	323
330.2	Pressure Tanks	16,702	0	0	16,702	0	16,702	5.00%	835
331	Transmission and Distribution Mains	571,309	2,947	0	574,256	248,437	325,819	2.00%	6,487
333	Services	67,518	5,226	0	72,744	15,679	57,065	3.33%	1,813
334	Meters and Meter Installations	101,040	4,250	0	105,290	0	105,290	8.33%	8,594
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	30,500	0	0	30,500	0	30,500	6.67%	2,034
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	4,091	0	4,091	0	4,091	10.00%	205
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$1,138,082	\$19,535	\$0	\$1,157,617	\$504,182	\$653,435		\$29,966

Contribution(s) in Aid of Construction (Gross)	\$460,927
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	52,785
Amortizable Contribution(s)	\$408,142
Times: Proposed Amortization Rate	5.05%
Amortization of CIAC	\$20,430

Less: Amortization of CIAC \$20,430

DEPRECIATION EXPENSE **\$9,536**

Sandario Water Company, Inc.
 Annual Report
 Balance Sheet Assets
 12/31/21

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current and Accrued Assets			
131	Cash		\$107,432	\$24,207
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		(1,579)	2,650
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		1,836	10,204
	Total Current and Accrued Assets		\$107,689	\$37,061
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,138,082	\$1,157,617
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	153
108	Accumulated Depreciation (enter as negative)*		(878,976)	(908,942)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$259,106	\$248,828
	Total Assets		\$366,795	\$285,889

*Note these items feed automatically from AR3 UPIS Page 4

Sandario Water Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current Liabilities			
231	Accounts Payable		\$606	\$1,194
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		13,115	13,775
236	Accrued Taxes		32,782	13,435
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		174	334
	Total Current Liabilities		\$46,677	\$28,738
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$113,236	\$109,193
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		5,598	10,303
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		460,927	460,927
272	Less: Amortization of Contributions		(297,967)	(318,397)
281	Accumulated Deferred Income Tax		4,658	3,843
	Total Deferred Credits		\$173,216	\$156,676
	Total Liabilites		\$333,129	\$294,607
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		3,208	3,208
215	Retained Earnings		30,458	(11,926)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$33,666	(\$8,718)
	Total Liabilities and Capital		\$366,795	\$285,889

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

Sandario Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/21

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2021 - 12/31/2021	Last Year 01/01/2020 - 12/31/2020
	Operating Revenue		
461	Metered Water Revenue	\$194,299	\$191,396
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	11,788	15,668
471	Miscellaneous Service Revenues	5,301	4,367
474	Other Water Revenue	0	0
	Total Revenues	\$211,388	\$211,431
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	19,175	17,894
618	Chemicals	1,177	1,685
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	2,062	2,066
620.2	Office Supplies and Expense	1,956	2,417
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	699	4,517
633	Contractual Services - Legal	1,357	1,877
634	Contractual Services - Management Fees	85,976	82,707
635	Contractual Services - Water Testing	2,091	1,578
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	2,400	2,454
657	Insurance - General Liability	1,721	2,444
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	829	880
675	Miscellaneous Expense	2,550	2,363
403	Depreciation Expense (From Schedule AR4)	9,536	8,806
408	Taxes Other Than Income	0	0
408.11	Property Taxes	12,210	10,609
409	Income Taxes	25,386	25,734
427.1	Customer Security Deposit Interest	345	221
	Total Operating Expenses	\$169,470	\$168,252
	Operating Income / (Loss)	\$41,918	\$43,179
	Other Income / (Expense)		
419	Interest and Dividend Income	\$1,113	\$1,071
421	Non-Utility Income	932	693
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(6,348)	(6,588)
	Total Other Income / (Expense)	(\$4,303)	(\$4,824)
	Net Income / (Loss)	\$37,615	\$38,355

Sandario Water Company, Inc.
 Annual Report
 Full time equivalent employees
 12/31/21

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			unable to	0.0
Engineering Staff			determine	0.0
System Operator(s)			without	0.0
Meter reader			significant	0.0
Customer Service			analysis	0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

Sandario Water Company, Inc.
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/21

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	6/30/2017			
Source of Loan	CoBank			
ACC Decision No.	76071			
Reason for Loan	Improvements			
Dollar Amt. Issued	\$123,793			
Amount Outstanding	\$109,193			
Date of Maturity	1/20/2038			
Interest Rate	5.61%			
Current Year Interest	\$6,348			
Current Year Principal	\$4,043			

Meter Deposit Balance at Test Year End:	\$10,303
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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											
Name of the System:		SANDARIO WATER CO.									
ADEQ Public Water System Number:			AZ0410093								
ADWR PCC Number:			91-000434.0000								
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2010	Water level 2021	Meter Size (inches)	How measured:	Active
55-518208	40	350	600	12	Submersible	1989	300	305	4	Metered	Yes
55-594513	15	80	590	8	Submersible	2003	320	330	2	Metered	Yes

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

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	2,356,850.00	2,223,300.00	0.00	0.00	0.00	\$1,070	7,628
February	2,774,300.00	2,629,810.00	0.00	0.00	0.00	1,145	7,464
March	2,115,750.00	2,005,570.00	0.00	0.00	0.00	1,227	7,760
April	2,337,000.00	2,249,130.00	0.00	0.00	10,000.00	1,580	10,196
May	3,216,400.00	3,072,430.00	0.00	0.00	0.00	1,807	11,758
June	3,224,900.00	3,200,370.00	0.00	0.00	0.00	2,165	14,234
July	4,028,300.00	3,927,932.00	0.00	0.00	0.00	1,941	12,687
August	2,754,750.00	2,772,275.00	0.00	0.00	0.00	1,431	8,831
September	2,862,050.00	2,832,848.00	0.00	0.00	0.00	1,696	10,589
October	3,279,263.00	3,229,180.00	0.00	0.00	0.00	1,718	10,371
November	2,823,737.00	2,531,980.00	0.00	0.00	0.00	1,621	9,747
December	2,560,158.00	2,356,230.00	0.00	0.00	0.00	1,443	8,607
Totals	34,333,458.00	33,031,055.00	0.00	0.00	10,000.00	\$18,844	119,872

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 Flushing = 10,000 gallons.

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:	SANDARIO WATER CO.	
ADEQ Public Water System Number:	AZ0410093	
ADWR PCC Number:	91-000434.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Galvanized	660
2.00	PVC	710
3.00	AC/PVC	4,530
3.00	PVC	330
4.00	AC/PVC	7,308
4.00	PVC	5,864
6.00	AC/PVC	20,535
6.00	PVC	18,123

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	365	1%	8%
0.75	5	0%	0%
1	6	0%	80%
1.5	2	50%	50%
Compound 2	2	100%	100%

SERVICE LINES		
Material	Percent of system	Year installed
PVC	80%	1970
Copper	10%	2014-16
Black poly	10%	1970

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	100	1
10	200	2
15	300	2

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
12,000	Steel	4	1989
20,000	Steel	1	2003

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
2,000	Steel	1	1970
5,000	Steel	1	1970
90	Steel/rubber	2	2012

* 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:	2 chlorinators
STRUCTURES:	700 feet of 6 foot tall chain link fence, 12 x 12 foot booster station
OTHER:	N/A

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	245
Method used:	(a)

Customer and Other Information	
Name of the System:	SANDARIO WATER CO.
ADEQ Public Water System Number:	AZ0410093
ADWR PCC Number:	91-000434.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	337	0	2	0	0
February	338	0	2	0	0
March	340	0	2	0	0
April	342	0	2	0	0
May	343	0	2	0	0
June	344	0	2	0	0
July	344	0	2	0	0
August	344	0	2	0	0
September	342	0	2	0	0
October	339	0	2	0	0
November	342	0	2	0	0
December	339	0	2	0	0

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.

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

Sandario Water Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	SANDARIO WATER CO.
ADEQ Public Water System Number:	AZ0410093
ADWR PCC Number:	91-000434.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	1	0
February	0	1	0
March	0	3	0
April	0	2	0
May	0	2	0
June	0	3	0
July	0	0	0
August	0	9	0
September	0	7	0
October	0	4	0
November	0	5	0
December	0	0	0
Total	0	37	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	
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Amount of actual property taxes paid during Calendar Year 2021 was	
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	\$11,410
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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.

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: Bryan Thomas, CFO
Company name: Sandario Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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.

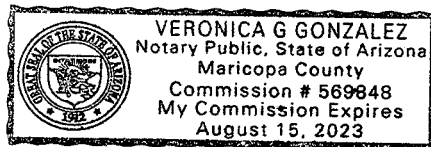
BTE
signature of owner/official
623-935-1100
telephone no.

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

THIS 12th DAY OF Maricopa
April 2022
(month) and (year)

MY COMMISSION EXPIRES

August 15, 2023
(date)



Veronica G. Gonzalez
(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: Bryan Thomas, CFO
Company name: Sandario Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$224,296

(The amount in the box above includes

\$12,908 in sales taxes
billed or collected)

BTE

signature of owner/official

623-935-1100

telephone no.

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

THIS

12th

DAY OF

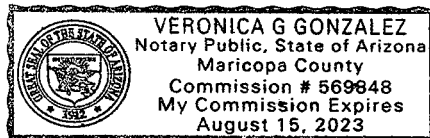
Maricopa

(county name)

April 2022
(month) and (year)

MY COMMISSION EXPIRES

August 15, 2023
(date)



Veronica G. Gonzalez
(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: Bryan Thomas, CFO
Company name: Sandario Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$222,390
(The amount in the box above includes
\$12,798 in sales taxes
billed or collected)

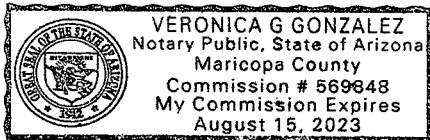
BTS
signature of owner/official

623-935-1100
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Maricopa
(county name)

THIS 12th DAY OF April 2022
(month) and (year)

MY COMMISSION EXPIRES August 15, 2023
(date)



Veronica G Gonzalez
(signature of notary public)

Sandario Water Company, Inc.
Annual Report
Gross-up Sharing Method for Income Tax Statement of Certification
12/31/21

Gross-up Sharing 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: Bryan Thomas, CFO
Company name: Sandario Water Company, Inc.

FOR THE YEAR ENDING: 12/31/21

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.

BTE

signature of owner/official

623-935-1100

telephone no.

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

Maricopa

(county name)

THIS

12th

DAY OF

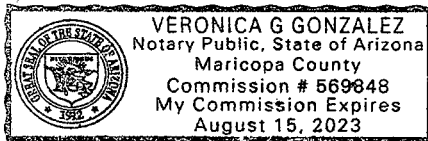
April 2022

(month) and (year)

MY COMMISSION EXPIRES

August 15, 2023

(date)



Veronica G Gonzalez
(signature of notary public)