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ANNUAL REPORT

Of

Company Name: Southland Utilities Company, Inc.
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-02062A
For the Year Ended: 12/31/21

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: 5/13/2022

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Southland Utilities Company, Inc.
A Class Utility

For the Calendar Year Ended: 12/31/21

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.
	NA

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

Southland Utilities Company, Inc.
Annual Report
Utility Plant in Service (Water)
12/31/21

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
302	Franchises				0	0	0
303	Land and Land Rights	1,070			1,070	0	1,070
304	Structures and Improvements	50,415			50,415	20,726	29,689
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	49,524	427		49,951	34,345	15,606
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	492,091			492,091	440,018	52,073
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants	6,560			6,560	1,638	4,922
320.2	Solution Chemical Feeders	4,732			4,732	4,732	0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	653,678			653,678	216,221	437,457
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	252,719			252,719	215,765	36,954
333	Services	44,522			44,522	41,494	3,028
334	Meters and Meter Installations	137,455			137,455	88,466	48,989
335	Hydrants	153,743			153,743	23,062	130,681
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment				0	(403)	403
340.1	Computer & Software				0		0
341	Transportation Equipment		57,617		57,617	1,296	56,321
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment	9,972			9,972	6,398	3,574
347	Miscellaneous Equipment	9,683			9,683	7,724	1,959
348	Other Tangible Plant	0			0		0
	Totals	\$1,866,164	\$58,044	\$0	\$1,924,208	\$1,101,482	\$822,726

Southland Utilities 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	\$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	1,070	0	0	1,070	1,070	0	0.00%	0
304	Structures and Improvements	50,415	0	0	50,415	0	50,415	3.33%	1,679
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	49,524	427	0	49,951	30,144	19,807	3.33%	652
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	492,091	0	0	492,091	136,209	355,882	12.50%	44,485
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	6,560	0	0	6,560	0	6,560	3.33%	218
320.2	Solution Chemical Feeders	4,732	0	0	4,732	4,732	0	20.00%	0
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	653,678	0	0	653,678	0	653,678	2.22%	14,512
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	252,719	0	0	252,719	209,091	43,628	2.00%	873
333	Services	44,522	0	0	44,522	41,070	3,452	3.33%	115
334	Meters and Meter Installations	137,455	0	0	137,455	64,853	72,602	8.33%	6,048
335	Hydrants	153,743	0	0	153,743	0	153,743	2.00%	3,075
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	57,617	0	57,617	0	57,617	4.50%	1,296
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	9,972	0	0	9,972	0	9,972	10.00%	997
347	Miscellaneous Equipment	9,683	0	0	9,683	1,850	7,833	10.00%	783
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$1,866,164	\$58,044	\$0	\$1,924,208	\$489,019	\$1,435,189		\$74,734

Contribution(s) in Aid of Construction (Gross)	\$87,956
Less: Non Amortizable Contribution(s)	74,688
Fully Amortizable Contribution(s)	0
Amortizable Contribution(s)	\$13,268
Times: Proposed Amortization Rate	2.00%
Amortization of CIAC	\$265

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Southland Utilities 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		\$244,843	\$180,307
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		20,449	18,818
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		26,699	25,420
174	Miscellaneous Current and Accrued Assets		93,880	93,716
	Total Current and Accrued Assets		\$385,871	\$318,261
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,866,164	\$1,924,208
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,026,749)	(1,101,482)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$839,415	\$822,726
	Total Assets		\$1,225,286	\$1,140,987

*Note these items feed automatically from AR3 UPIS Page 4

Southland Utilities 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		\$10,305	\$9,549
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		18,546	20,483
236	Accrued Taxes		1,736	1,842
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$30,587	\$31,874
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$704,067	\$656,701
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		9,833	21,915
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		87,956	87,956
272	Less: Amortization of Contributions		(82,778)	(83,043)
281	Accumulated Deferred Income Tax		7,597	7,597
	Total Deferred Credits		\$22,608	\$34,425
	Total Liabilities		\$757,262	\$723,000
	Capital Accounts			
201	Common Stock Issued		\$6,000	\$6,000
211	Other Paid-In Capital		186,492	186,492
215	Retained Earnings		275,532	225,495
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$468,024	\$417,987
	Total Liabilities and Capital		\$1,225,286	\$1,140,987

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

Southland Utilities 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	\$372,961	\$364,562
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	9,991	8,930
	Total Revenues	\$382,952	\$373,492
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	328
615	Purchased Power	29,543	26,826
618	Chemicals	431	1,623
620	Materials and Supplies	2,823	0
620.1	Repairs and Maintenance	7,659	1,817
620.2	Office Supplies and Expense	7,183	8,884
630	Contractual Services	13,804	1,565
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	5,495	8,046
633	Contractual Services - Legal	3,903	1,952
634	Contractual Services - Management Fees	153,313	137,779
635	Contractual Services - Water Testing	1,845	2,106
636	Contractual Services - Other	0	65
640	Rents	1,146	1,051
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	2,854	2,684
657	Insurance - General Liability	2,417	2,127
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	14,243	0
675	Miscellaneous Expense	2,817	1,408
403	Depreciation Expense (From Schedule AR4)	74,468	71,912
408	Taxes Other Than Income	0	0
408.11	Property Taxes	19,635	4,909
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	525	396
	Total Operating Expenses	\$344,104	\$275,478
	Operating Income / (Loss)	\$38,848	\$98,014
	Other Income / (Expense)		
419	Interest and Dividend Income	\$1,266	\$3,329
421	Non-Utility Income	229	251
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(28,653)	(30,623)
	Total Other Income / (Expense)	(\$27,158)	(\$27,043)
	Net Income / (Loss)	\$11,690	\$70,971

Southland Utilities Company, Inc.
Annual Report
Full time equivalent employees
12/31/21

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1.0	0.0	0.0	1.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.5	0.5
Meter reader	0.0	0.0	0.5	0.5
Customer Service	0.0	0.0	0.2	0.2
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	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	1.0	0.0	1.4	2.4

Southland Utilities 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	9/28/2012			
Source of Loan	WIFA			
ACC Decision No.	72429			
Reason for Loan	Mains/Storage			
Dollar Amt. Issued	\$1,014,193			
Amount Outstanding	\$656,701			
Date of Maturity	9/1/2032			
Interest Rate	4.20%			
Current Year Interest	\$8,186			
Current Year Principal	\$47,392			

Meter Deposit Balance at Test Year End:	\$13,563
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Meter Deposits Refunded During the Test Year:	\$1,600
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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: SOUTHLAND UTL-GOLDEN ACR											
ADEQ Public Water System Number:		AZ0402029									
ADWR PCC Number:		91-000047.0000									
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
55-626149 Site 1	40	150	600	12	submersible	1967	430	420	4	Metered	Yes
55-626150 Site 2	30	170	600	14-12-10	submersible	1968	390	400	6	Metered	Yes

Name of system water delivered to: NA
 ADWR PCC Number: #N/A
 Source of water delivered to another system: _____

Name of system water received from: NA
 ADWR PCC Number: #N/A
 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	2,704,320.00	2,704,525.00	0.00	0.00	0.00	\$1,895	14,631
February	2,206,735.00	2,090,372.00	0.00	0.00	0.00	1955.6	14,522
March	2,545,101.00	2,241,150.00	0.00	0.00	0.00	2,184	15,760
April	2,910,693.00	2,573,872.00	0.00	0.00	0.00	2,572	16,548
May	4,177,672.00	3,859,975.00	0.00	0.00	0.00	2,790	18,266
June	3,610,357.00	3,179,180.00	0.00	0.00	0.00	3,002	20,949
July	4,399,926.00	3,972,859.00	0.00	0.00	8,000.00	3,038	21,041
August	1,996,125.00	1,980,644.00	0.00	0.00	5,000.00	2,244	17,286
September	4,064,561.00	4,084,646.00	0.00	0.00	0.00	2,345	17,286
October	3,398,645.00	3,407,262.00	0.00	0.00	0.00	2,228	17,524
November	2,142,539.00	2,002,258.00	0.00	0.00	0.00	2,447	17,021
December	2,667,293.00	2,370,258.00	0.00	0.00	0.00	2,146	14,641
Totals	36,823,967.00	34,467,001.00	0.00	0.00	13,000.00	\$28,845	205,475

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:	SOUTHLAND UTL-GOLDEN ACR
ADEQ Public Water System Number:	AZ0402029
ADWR PCC Number:	91-000047.0000

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Stainless Steel	1,000
4.00	AC/PVC	18,122
4.00	PVC	526
6.00	PVC	2,711
6.00	AC/PVC	28,260

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	666	2%	39%
0.75	2	50%	50%
2	2	100%	50%
3	1	100%	100%

SERVICE LINES			
Material	Percent of system	Year installed	
Galvanized Steel	80%	1970s	
PVC	10%		
Black Poly	10%		

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
5	100	1	
10	200	1	
20	400	3	
30	600	3	

FIRE HYDRANTS	
Type	Quantity
Standard *	46
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
62,000	Steel	1	1970s
165,000	Steel	2	2009

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
90	Steel/Rubber	2	2009
5,000	Steel	1	1970s
125	Steel/Rubber	1	1970s

* 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
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STRUCTURES:	554 feet of 6-foot tall chain link fence, 10 x 12 foot brick storage structures, 16 x 20 foot booster building
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OTHER:	back-up generator
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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

149

 Method used:

(a)

Customer and Other Information

Name of the System:	SOUTHLAND UTL-GOLDEN ACR
ADEQ Public Water System Number:	AZ0402029
ADWR PCC Number:	91-000047.0000

Number of Customers

Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	600	0	35	0	0
February	600	0	37	0	0
March	598	0	37	0	0
April	600	0	38	0	0
May	593	0	38	0	0
June	602	0	37	0	0
July	598	0	37	0	0
August	594	0	38	0	0
September	601	0	38	0	0
October	598	0	38	0	0
November	598	0	38	0	0
December	594	0	38	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 (GCPCPD) requirement?
 If yes, provide the GCPCPD 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.

NONE

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

Southland Utilities Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects		
Name of the System:	SOUTHLAND UTL-GOLDEN ACR	
ADEQ Public Water System Number:	AZ0402029	
ADWR PCC Number:	91-000047.0000	

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	8	0
February	0	0	0
March	0	2	0
April	0	5	0
May	0	6	0
June	0	3	0
July	0	1	0
August	0	1	0
September	0	14	0
October	0	6	0
November	0	0	0
December	0	0	0
Total	0	46	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.

Southland Utilities Company, Inc.
Annual Report
Property Taxes
12/31/21

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2021 was	\$19,634

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.

Southland Utilities Company, Inc.
Annual Report
Verification and Sworn Statement (Taxes)
12/31/21

Verification and Sworn Statement (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Dorinda Chacon, Manager
Company name: Southland Utilities 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: HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

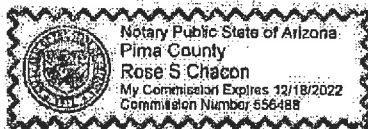
Dorinda Chacon
signature of owner/official

520-624-1460 x 110
telephone no.

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

THIS 19th DAY OF Pima
(month) and (year) April 2022

MY COMMISSION EXPIRES 12/18/2022
(date)



Rose S. Chacon
(signature of notary public)

UTILITY CORPORATION
2022 MAY 19 P 1:51
ARIZONA CORPORATION COMMISSION

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: Dorinda Chacon, Manager
Company name: Southland Utilities 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.

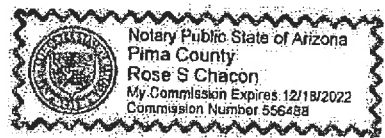
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 3, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREBIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$407,188
(The amount in the box above includes: \$24,236 in sales taxes billed or collected).

Dorinda Chacon
signature of owner/official
520-624-1460 x110
telephone no.

NOTARY PUBLIC
2022 MAY 19 P 1:51
ARIZONA CORPORATION COMMISSION

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY Pima
THIS 19th DAY OF April 2022
(month) and (year)
MY COMMISSION EXPIRES 12/18/2022
(date)



Rose S. Chacon
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Pima
Name (owner or official) title: Dorinda Chacon, Manager
Company name: Southland Utilities 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 HEREBIN 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 (\$)

\$407,188
(The amount in the box above includes
\$24,236 in sales taxes
billed or collected)

Dorinda Chacon
signature of owner/official

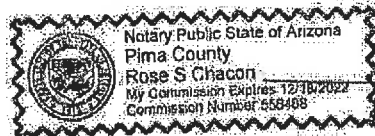
520-624-1460 x 110
telephone no.

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

Pima
(county name)

THIS 19th DAY OF April 2022
(month) and (year)

MY COMMISSION EXPIRES 12/18/2022
(date)



Rose S. Chacon
(signature of notary public)

NOTARIZATION
2022 MAY 19 P 1:51
ARIZONA CORPORATION COMMISSION

Southland Utilities Company, Inc.
Annual Report
Full Gross-up Method for Income Tax Statement of Certification
12/31/21

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): Pima
Name (owner or official) title: Dorinda Chacon, Manager
Company name: Southland Utilities 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 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.

Dorinda Chacon
signature of owner/official
520-624-1460 x 110
telephone no.

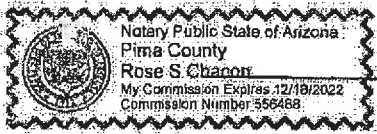
RECEIVED
UTILITIES DIVISION
2022 MAY 19 P 1:50
ARIZONA REGISTRATION
COUNTY CLERK

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

Pima
(county name)

THIS 19th DAY OF April 2022
(month) and (year)

MY COMMISSION EXPIRES 12/18/2022
(date)



Rose S. Chacon
(signature of notary public)