ANNUAL REPORT

Of

Company Name:

Spanish Trail Water Company

2200 E. River Rd., Ste 115

Mailing Address:

Tucson

AZ

85718

Docket No.:

W-01816A

For the Year Ended:

12/31/22

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Application Type:

Original Filing

Application Date:

3/9/2023

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Spanish Trail Water Company A Class D Utility

For the Calendar Year E	Ended: $12/31/22$				
Primary Address:	2200 E. River Road Ste 115				
	Tucson		State: Arizona	Zip C	ode: 85718
		•			<u> </u>
Telephone Number:	520-577-0200]			
Date of Original Organi	zation of Utility:	2/20/1	980		
Person to whom corresp	ondence should be addresse	ed concerr	ing this report:		
	Brian Deatherage		-		
Telephone No.:					
	2200 E. River Road Ste 115				
=	Tucson		State: Arizona	Zip C	ode: 85718
Email:	bdeatherage@diamondven.com	m			
Regulatory and Manage	ment Contact			· · · · · · · · · · · · · · · · · · ·	
Name:	Mark Weinberg	····			
Telephone No. :	520-577-0200				
Address:	2200 E. River Road Ste 115				
City:	Tucson		State: Arizona	Zip C	ode: 85718
Email:	mweinberg@diamondven.com	1			
NI A					
NA					
Name:		· · · · · · · · · · · · · · · · · · ·			
Telephone No. : Address:					
City:		<u> </u>	C4-4-14 :	la: o	
Email:			State: Arizona	Zip C	ode:
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NA					
Name:					
Telephone No.:					
Address:					
City:			State: Arizona	Zip C	ode:
Email:					
NA					
Name:					
Telephone No.:		***************************************			
Address:	***				
City:			State: Arizona	Zip C	ode:
Email:				, -	
Ownership:	"S" Corporation				
Counties Served:	Pima	W			

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Spanish Trail Water Company

Important changes during the year

			•	
le specific details in the b	ox below.			
		le specific details in the box below.		s not subject to the affiliated interest rules, has there been a change in ownership or dele specific details in the box below.

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.

AZ DEQ notified Spanish Trail Water in 2022 of a 2021 Disinfected by-product (DBP) violation. The water quality was not an issue, it was a chain of custody issue. The original request was for 2 samples and the chain of cutody ordered was labeled 1. Our third party contractor, Southwestern Utilities quickly corrected the issue once we were notified.

	Utility Plant in Service (Water)									
Account	Description	Beginning Year	Current Year	Current Year	Adjusted	Accumulated	OCLD (OC less			
No.		Original Cost	Additions	Retirements	Original Cost	Depreciation	AD)			
301	Organization	\$3,394	\$0	\$0	\$3,394	\$0	\$3,39			
302	Franchises	0	0	0	0	0				
303	Land and Land Rights	0	0	0	0	0				
304	Structures and Improvements	1,594	0	0	1,594	1,594				
305	Collecting & Improving Reservoirs	0	0	0	0	0				
306	Lake, River, Canal Intakes	0	0	0	0	0				
307	Wells and Springs	506,316	0	0	506,316	142,411	363,90			
308	Infiltration Galleries	0	0	0	0	0				
309	Supply Mains	0	0	0	0	0				
310	Power Generation Equipment	0	0	0	0	0				
311	Pumping Equipment	176,141	0	0	176,141	151,838	24,30			
320	Water Treatment Equipment	0	0	0	0	0	2,,50			
320.1	Water Treatment Plants	0	0	0	0	0				
320.2	Solution Chemical Feeders	16,900	0	0	16,900	1,970	14,93			
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	14,73			
330	Distribution Reservoirs and Standpipes	0	0	0	0	0				
330.1	Storage Tanks	1,165,389	0	0	1,165,389	103,055	1,062,33			
330.2	Pressure Tanks	0	0	0	0	0	1,002,33			
331	Transmission and Distribution Mains	2,980,327	1,248,409	0	4,228,736	404,941	3,823,79			
333	Services	465,221	488,605	0	953,826	55,266	898,56			
334	Meters and Meter Installations	175,769	104,640	0	280,409	96,351	184,05			
335	Hydrants	116,607	170,249	0	286,856	5,201	281,65			
336	Backflow Prevention Devices	0	0	0	0	0,201	201,03			
339	Other Plant and Misc. Equipment	0	0	0	0	0				
340	Office Furniture and Equipment	0	0	0	0	0				
340.1	Computer & Software	0	0	0	0	0				
341	Transportation Equipment	0	0	0	0	0				
342	Stores Equipment	0	0	0	0	0				
343	Tools, Shop and Garage Equipment	0	0	0	0	0				
344	Laboratory Equipment	0	0	0	0	0				
345	Power Operated Equipment	6,906	0	0	6,906	863	6,04			
346	Communication Equipment	0,700	0	0	0,900	0	0,04			
347	Miscellaneous Equipment	4,720	0	0	4,720	708				
348	Other Tangible Plant	1,720	0	0	4,720	708	4,01			
	Totals	\$5,619,284	\$2,011,903	\$0	\$7,631,187	\$964,198	\$6,666,98			

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

			reciation Expens	e for the Current	Year (Water)				
Account No.	Description	Beginning	Current Year	Current Year	Adjusted	Fully		Depreciation	Depreciation
		Year Original	Additions	Retirements	Original Cost	Depreciated/Non-	Depreciable	Percentages	Expense
		Cost				depreciable Plant	Plant		
301	Organization	\$3,394	\$0	\$0	\$3,394	\$3,394	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	1,594	0	0	1,594	1,594	0	3.33%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	3.33%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	506,316	0	0	506,316	0	506,316	3.33%	16,860
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	176,141	0	0	176,141	0	176,141	12.50%	22,018
320	Water Treatment Equipment	0	0	0	0	0	0	3.33%	
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	
320.2	Solution Chemical Feeders	16,900	0	0	16,900	0	16,900	3.33%	1
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	3.33%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	2.22%	0
330.1	Storage Tanks	1,165,389	0	0	1,165,389	16,526	1,148,863	2.22%	25,505
330.2	Pressure Tanks	0	0	0	0	0	0	2.22%	0
331	Transmission and Distribution Mains	2,980,327	1,248,409	0	4,228,736	0	4,228,736	2.00%	72,091
333	Services	465,221	488,605	0	953,826	0	953,826	3.33%	23,627
334	Meters and Meter Installations	175,769	104,640	0	280,409	0	280,409	8.33%	19,000
335	Hydrants	116,607	170,249	0	286,856	0	286,856	2.00%	4,035
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	6.67%	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	20.00%	0
341	Transportation Equipment	0	0	0	0	0	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	5.00%	0
344	Laboratory Equipment	0	0	0	0	<u> </u>	0	10.00%	0
345	Power Operated Equipment	6,906	0	0	6,906	<u> </u>	6,906	5.00%	345
346	Communication Equipment	0	0	0	0,,,,,	0	0,500	5.00%	0
347	Miscellaneous Equipment	4,720	0	0	4,720	<u> </u>	4,720	10.00%	472
348	Other Tangible Plant	0	0	0	0	<u> </u>	1,720	0.00%	1,72
	Subtotal	\$5,619,284	\$2,011,903	\$0	\$7,631,187	\$21,514	\$7,609,673	0.0070	\$184,515

 Contribution(s) in Aid of Construction (Gross)
 \$286,349

 Less: Non Amortizable Contribution(s)
 0

 Fully Amortized Contribution(s)
 0

 Amortizable Contribution(s)
 \$286,349

 Times: Proposed Amortization Rate
 2.42%

 Amortization of CIAC
 \$6,943

Less: Amortization of CIAC \$6,943

DEPRECIATION EXPENSE \$177,572

Spanish Trail Water Company Annual Report Balance Sheet Assets 12/31/22

	Balance Sheet Assets		
	Assets	Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current and Accrued Assets		
131	Cash	\$141,218	\$2,566
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	32,912	28,895
146	Notes Receivable from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	18,053	18,053
174	Miscellaneous Current and Accrued Assets	0	142,612
	Total Current and Accrued Assets	\$192,184	\$192,126
Account No.	Fixed Assets		
101	Utility Plant in Service*	\$5,619,284	\$7,631,187
103	Property Held for Future Use	12,000	12,000
105	Construction Work in Progress	345,782	1,756,286
108	Accumulated Depreciation (enter as negative)*	(779,685)	(964,198
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility	0	0
	Total Fixed Assets	\$5,197,381	\$8,435,275
	Total Assets	\$5,389,565	\$8,627,401

*Note these items feed automatically from AR3 UPIS Page 4

Spanish Trail Water Company Annual Report Balance Sheet Liabilities and Owners Equity

	Balance Sheet Liabilities and Ow		
	Liabilities	Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities		
231	Accounts Payable	\$0	\$0
232	Notes Payable (Current Portion)	0	0
234	Notes Payable to Associated Companies	0	0
235	Customer Deposits	183,245	312,381
236	Accrued Taxes	9,906	9,028
237	Accrued Interest	0	0
242	Miscellaneous Current and Accrued Liabilities	0	0
·····	Total Current Liabilities	\$193,151	\$321,409
	Long Term Debt		
224	Long Term Debt (Notes and Bonds)	\$0	\$0
	Deferred Credits		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	1,412,901	3,197,597
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	286,439	286,439
272	Less: Amortization of Contributions	(62,141)	(69,084
281	Accumulated Deferred Income Tax	0	0
	Total Deferred Credits	\$1,637,199	\$3,414,952
	Total Liabilites	\$1,830,350	\$3,736,361
	Capital Accounts		
201	Common Stock Issued	\$1,000	\$1,000
211	Other Paid-In Capital	7,702,970	9,122,970
215	Retained Earnings	(4,144,754)	(4,232,930
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	Total Capital	\$3,559,216	\$4,891,040
	Total Liabilities and Capital	\$5,389,566	\$8,627,401

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

Water Comparative Income Statement								
Account No.	Calendar Year	Current Year	Last Year					
		01/01/2022 -	01/01/2021 - 12/31/2021					
	Operating Revenue							
461	Metered Water Revenue	\$598,259	\$378,695					
460	Unmetered Water Revenue	0	(
462	Fire Protection Revenue	0	(
469	Guaranteed Revenues (Surcharges)	0	(
471	Miscellaneous Service Revenues	0	(
474	Other Water Revenue	0	100,000					
	Total Revenues	\$598,259	\$478,695					
	Operating Expenses							
601	Salaries and Wages	\$0	\$(
604	Employee Pensions and Benefits	0	(
610	Purchased Water	0	(
615	Purchased Power	83,261	61,200					
618	Chemicals	4,053	(
620	Materials and Supplies	0	(
620.1	Repairs and Maintenance	11,194	42,259					
620.2	Office Supplies and Expense	1,561	1,767					
630	Contractual Services	0	(
631	Contractual Services - Engineering	24,279	5,113					
632	Contractual Services - Accounting	128,427	100,097					
633	Contractual Services - Legal	1,050	(
634	Contractual Services - Management Fees	12,000	12,000					
635	Contractual Services - Water Testing	539	32					
636	Contractual Services - Other	1,166	26,037					
640	Rents	0	(
641	Rental of Building/Real Property	0	(
642	Rental of Equipment	0	(
650	Transportation Expenses	0	(
657	Insurance - General Liability	12,371	12,52					
657.1	Insurance - Health and Life	0	(12,02					
665	Regulatory Commission Expense - Rate	0	(
670	Bad Debt Expense	0	(
675	Miscellaneous Expense	183,615	27,533					
403	Depreciation Expense (From Schedule AR4)	177,572	130,104					
408	Taxes Other Than Income	31,743	24,411					
408.11	Property Taxes	13,604	15,544					
409	Income Taxes	13,004	15,545					
427.1	Customer Security Deposit Interest	0	(
727.1	Total Operating Expenses	\$686,435						
	Total Operating Expenses	\$080,433	\$458,624					
	Operating Income / (Loss)	(\$88,176)	\$20,071					
	operating meaner (15055)	(\$00,170)	\$20,071					
	Other Income / (Expense)							
419	Interest and Dividend Income	\$0	\$(
421	Non-Utility Income	0	(
426	Miscellaneous Non-Utility (Expense)	0	(
427	Interest (Expense)	0	(
	Total Other Income / (Expense)	\$0	\$(
	Net Income / (Loss)	(\$88,176)	\$20,071					

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.1	0.0	0.1
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	1.0	1.0
Engineering Staff	0.0	0.1	1.0	1.1
System Operator(s)	0.0	0.0	1.0	1.0
Meter reader	0.0	0.8	0.2	1.0
Customer Service	0.0	0.0	0.5	0.5
Accounting	0.0	0.2	0.5	0.7
Business Office	0.0	0.2	0.0	0.2
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.2	0.0	0.2
Other	0.0	0.0	0.0	0.0
Total	0.0	1.4	4.2	5.6

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

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

Meter Deposit Balance at Test Year End:	\$312,281		
Motor Donosite Refunded During the Test Very		016.010	ı
Meter Deposits Refunded During the Test Year:		\$16.813	

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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.

Spanish Trail Water Company Annual Report Well and Water Usage 12/31/22

		V	****	Well and Wat	er Usage						
Name of the System:		SPANISH TRAIL	WATER COMPAN'	Y							
ADEQ Public Water Sys	tem Number:		AZ0410127				•				
ADWR PCC Number:			91-000444.0000								
Well registry 55# (55-		1	Casing Depth	Casing Diameter	Pump Motor	Year	Water level	Water level	Meter Size	How	
XXXXXX):	Pump Horsepower	Pump Yield (gpm)	(feet)	(inches)	Type **	Drilled	2012	2022	(inches)	measured:	Active
55-622249	5	35	200	8	submersible	1982	100	103	2	Metered	Yes
55-622256	40		200	12	turbine	1982	144	137	4	Metered	Yes
55-536560	20		200	12	turbine	1982	139	142	6	Metered	Yes
55-591952	250	1,200	737	16	turbine	2002	310	356	8	Metered	Yes
										N/A	N/A
										N/A	N/A
										N/A	N/A
										N/A	N/A
										N/A	N/A
										N/A	N/A
PR										N/A	N/A
	ļ									N/A	N/A
										N/A	N/A
										N/A	N/A
	ļ									N/A	N/A
L	<u> </u>	L	<u> </u>				<u> </u>			N/A	N/A

Name of system water delivered to:	SPANISH TRAIL	WATER COMPANY	
ADWR PCC Number:		91-000444.0000	
Source of water delivered to another system	NA		-

Name of system water received from:	SPANISH TRAIL WATER COMPANY
ADWR PCC Number:	91-000444,0000
Source of water received	NA NA
Well registry 55# (55-XXXXXX):	none

		*********	1	Water received			
			Water delivered	(purchased) from	Estimated	Purchased	Purchased
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Power	Power
Month	(gallons)l	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense ⁶	(kWh) ⁷
January	6,625,328.45	6,375,102.00	0.00	0.00	0.00	\$5,610	37,361
February	9,997,855.59	9,620,255.00	0.00	0.00	0.00	5,244	33,797
March	7,839,880.86	7,543,783.00	0.00	0.00	0.00	4,617	29,908
April	11,391,815.90	10,961,568.00	0.00	0.00	0.00	4,562	29,692
May	16,758,434.19	16,125,499.00	0.00	0.00	0.00	4,986	32,179
June	29,418,793.65	28,307,700.00	0.00	0,00	0.00	9,549	56,434
July	18,600,372.82	17,897,871.00	0.00	0.00	0,00	11,805	69,838
August	10,603,697.11	10,203,215.00	0.00	0.00	0,00	9,832	57,296
September	14,682,396.06	14,127,869.00	0.00	0.00	0.00	7,762	38,332
October	8,235,574.48	7,924,532.00	0.00	0.00	0.00	5,688	29,089
November	10,339,502.98	9,948,999.00	0.00	0.00	0.00	6,673	37,997
December	9,500,539.89	9,141,722.00	0.00	0.00	0.00	6,194	33,764
Totals	153,994,192.00	148,178,115.00	0.00	0.00	0.00	\$82,522	485,685

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

There are occasions when backflushing is required, or where small leaks occur. The amount of water un-metered in 2022 was insignificant during any given month.

- Water withdrawn Total gallons of water withdrawn from pumped sources.
 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.

Spanish Trail Water Company Annual Report Water Utility Plant Description 12/31/22

Water Utility Plant Description			
Name of the System:	SPANISH TRAIL WATER COMPANY		
ADEQ Public Water System Number:	AZ0410127		
ADWR PCC Number:	91-000444.0000		

	MAINS		
Sizes (inches)	Material	Length (feet)	
4.00	AC/PVC	12,910	
6.00	AC/PVC	31,520	
8.00	PVC	12,069	
12.00	PVC C900	6,319	
0.00	NA		
8.00	PVC C900	463	
12.00	ACP, DIP, PVC	987	
12.00	AC/PVC	22,028	
0.00	NA		
6.00	PVC C900	3,169	
8.00	PVC C900	27,080	
12.00	PVC C900	3,450	
NA	NA		
NA	NA		

SERVICE LINES			
		Year	
Material	Percent of system	installed	
Galvanized steel	70%	Pre-2005	
Copper	30%	2020	
NA			
NA			
NA			

		Percent over	Percent over
Size (inches)	Quantity	1,000,000 gallons	10 years old
5/8 X 3/4	749	0%	56%
0.75	231	0%	9%
1	38	0%	29%
1.5	5	0%	0%
2	14	0%	21%
6	3	30%	0%
NA			

CUSTOMER METERS

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
20	300	2	
7.5	50	2	
0	0	0	

	STORAGE TANKS			
				Year
Capacity (gallons)	Material	Quantit	.y	installed
10,000	St	eel	2	Pre-2005
700,000	St	eel	1	2020
				l

FIRE HYDRANTS	
Туре	Quantity
Standard *	103
Other	

PRESSURE/BLADDER TANKS			
Capacity			
(gallons)	Material	Quantity	Year installed
1,000	Steel	1	Pre-2005
2,000	Steel	1	Pre-2005
3,000	Steel	1	Pre-2005
5,000	Steel	1	2019

* 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:	Chlorinator		
STRUCTURES:	n/a		
OTHER:	Both the Los Reales well site and the 700K reservoir site have concrete/block walls surrounding them.		

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
- (b) If no historical flow data are available, use:
- (b) ERC = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC	196
Method used:	(a)

Spanish Trail Water Company Annual Report Customer and Other Information 12/31/22

Customer and Other Information				
Name of the System:	SPANISH TRAIL WATER COMPANY			
ADEQ Public Water System Number:	AZ0410127			
ADWR PCC Number:	91-000444.0000			

Month	Number of Customers							
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non- Residential			
January	698	1	4	10	0			
February	744	1	4	10	0			
March	782	1	4	10	0			
April	836	1	4	10	0			
May	865	1	4	10	0			
June	895	1	4	10	0			
July	908	i	4	10	0			
August	906	i	4	10	0			
September	970	i	4	10				
October	988	1	4	10	0			
November	986		4	10	0			
December	1,024	1	4	10	0			

If the system has fire hydrants, what is the fire flow requirements?	1,000 GPM for 8 hr	S.
Does the system have chlorination treatment?	Yes	
Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) If yes, provide the GPCPD amount:	e) requirement? No	
Is the Water Utility located in an ADWR Active Management Area (AMA) If yes, which AMA?	Yes ucson AMA	
What is the present system connection capacity (in ERCs *) using existing I	lines? 1,367	
What is the future system connection capacity (in ERCs *) upon service are	ea buildout? 6,019	

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Improvements are currenlty being constructed. A new well location was equipped in 2019 and in 2020 a new 700,000 gallon reservoir was put into service. This infrastructure will sustain additional units for the next couple of years (the first phase of the newest improvement is 811 residential lots - to come online throughout the next 4 years). 2021 saw the completion of the subdivisions water line work, lots began selling and new customers have been added quickly thoughout 2021. 2022 saw a substantial increase in SFR units coming online from the home builders. Construction is in process for 2 additional phases to be complete in 2023/2024.

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

Spanish Trail Water Company Annual Report Utility Shutoffs / Disconnects 12/31/22

Utility Shutoffs / Disconnects				
Name of the System:	SPANISH TRAIL WATER COMPANY			
ADEQ Public Water System Number:		AZ0410127		
ADWR PCC Number:		91-000444.0000		

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	410.C	Other
January	0	0	0
February	0	0	0
March	0	16	0
April	0	4	0
May	0	46	0
June	0	44	0
July	0	71	0
August	0	77	0
September	0	37	0
October	0	33	0
November	0	0	0
December	0	0	0
Total	0	328	0

00 (1)	
Other (description):	

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.

Spanish Trail Water Company Annual Report Property Taxes 12/31/22

Property Taxes					
Amount of actual property taxes paid during Calendar Year 2022 was	\$14,574				
TC.					
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.

Spanish Trail Water Company Annual Report Verification and Sworn Statement (Taxes) 12/31/22

			Verificatio	n and Sworn Staten	nent (Taxes)		
Verification	State of	Arizona (sta	te name)	I, the undersigned	d of the		
	Company nan	or official) title ne:	Spanish Trail V				
	DO SAY THA	AT THIS ANN	UAL UTILITY I SION.	PROPERTY TAX A	ND SALES TA	X REPORT TO TH	E ARIZONA
	FOR THE YE	CAR ENDING:		12/31/2	2		
	UTILITY; TH CORRECT S' REPORT IN 1	IAT I HAVE C. TATEMENT O	AREFULLY EX OF BUSINESS A EACH AND EV	AMINED THE SAN ND AFFAIRS OF SA	ME, AND DEC AID UTILITY I	LARE THE SAME FOR THE PERIOD	AND RECORDS OF SAID TO BE A COMPLETE AND COVERED BY THIS BEST OF MY KNOWLEDGE,
Swarn Statament.	I HEDEDV A	TYPEST THAT	ALL PROPERT	V TAVES FOR SA			
sworn Statement:	I HEKEBY A	HEST THAT	ALL PROPERT	Y TAXES FOR SAI	D COMPANY	ARE CURRENT A	ND PAID IN FULL.
	I HEREBY A	TTEST THAT	ALL SALES TA	XES FOR SAID CO	MPANY ARE	CURRENT AND P	AID IN FULL.
		2 5 2	·c			nature of owner/offic	
	Annual warm	4 255				active of owner/office	THE STATE OF THE S
		m Takes				520-577-0200	
	HEMA	へいるま				telephone no.	
	135 m	\$325	SUBSCRIBED	AND SWORN TO I	BEFORE ME A	NOTARY PUBLIC	
	W TO	8 R C	IN AND FOR T				PIMA
		200	THIS	21ST		DAY OF	(county name) March 2023 (month) and (year)
	Coul	OCT SOT					(monur) and (year)

MY COMMISSION EXPIRES

NICOLA MADSEN NOTARY PUBLIC - ARIZONA PIMA COUNTY COMMISSION # 609712 MY COMMISSION EXPIRES JULY 07, 2025 July 7, 2025

(date)

Accola Madsen

(signature of notary public)

Spanish Trail Water Company Annual Report Verification and Sworn Statement 12/31/22

Verification	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: Mark Weinberg, General Manager Company name: Spanish Trail Water Company
	DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.
	FOR THE YEAR ENDING: 12/31/22
	HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.
Sworn Statement	IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:
	Arizona Intrastate Gross Operating Revenues Only (\$) \$598,259 (The amount in the box above includes \$31,743 in sales taxes billed or collected) signature of owner/official \$20-577-0200 telephone no.
	SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY THIS DAY OF March, 2023 (month) and (year)
	MY COMMISSION EXPIRES Suly 7,2025

Verification and Sworn Statement (Residential Revenue)
Verification:
State of Arizona I, the undersigned of the (state name)
County of (county name): Name (owner or official) title: Company name: Pima Mark Weinberg, General Manager Spanish Trail Water Company
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.
FOR THE YEAR ENDING: 12/31/22
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:
Arizona Intrastate Gross Operating Revenues Only (\$) \$255,204
(The amount in the box above includes \$13,541 in sales taxes billed or collected) signature of owner/official 520-577-0200 telephone no.
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY
THIS DAY OF March, 2023 (month) and (year)
MY COMMISSION EXPIRES NICOLA MADSEN NOTARY PUBLIC - ARIZONA PIMA COUNTY COMMISSION # 609712 MY COMMISSION EXPIRES JULY 07, 2025 MY COMMISSION EXPIRES (signature of notary public)

Spanish Trail Water Company Annual Report Self-pay Method for Income Tax Statement of Certification 12/31/22

		Self-pay Mo	1ethod for Income Tax Statement of Certification
Verification:	State of	Ariz	I, the undersigned of the e name)
	County of (c Name (owne Company na	ounty name): or or official) title: me:	e: Pima Mark Weinberg, General Manager Spanish Trail Water Company
	FOR THE Y	YEAR ENDING:	: 12/31/22
Sworn Statement:	IN ACCORE REQUIRES UTILITY HA TAX EXPEN GAAP IN A	THE GROSS UP AS NOT INCURI ISE OR A DECR N AMOUNT EQI	THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY P OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE RRED NOR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME REASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO QUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP IN THE PERIOD COVERED BY THIS ANNUAL REPORT.
			signature of owner/official
	UTILITIES IN MR 23		SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY (county name)
			THIS DAY OF March, 2023 (month) and (year)
	To the Activities and	NICOLA MAD	MY COMMISSION EXPIRES OSEN (date)
		NOTARY PUBLIC - AF PIMA COUNTY COMMISSION # 65 MY COMMISSION EX JULY 07, 2025	ARIZONA TY 609712 EXPIRES

(signature of notary public)