

RECEIVED
UTILITIES DIVISION
2022 MAY 19 P 1:53

ANNUAL REPORT

Of

Company Name:
PO Box 85160

Mailing Address: Tucson AZ
85754

Docket No.: W-01431A
For the Year Ended:

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:
Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Valle Verde Water Company
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
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Yes	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	The water system assests transferred from probate to "C" corporation

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

Valle Verde Water Company
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	125			125	125	0
303	Land and Land Rights	86,093			86,093	0	86,093
304	Structures and Improvements	520,149			520,149	507,191	12,958
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	623,760	1,604		625,364	392,536	232,828
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	506,732	16,618		523,350	455,478	67,872
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants	494,917			494,917	159,771	335,146
320.2	Solution Chemical Feeders	345			345	345	0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	609,135			609,135	339,118	270,017
330.2	Pressure Tanks	82,346			82,346	66,741	15,605
331	Transmission and Distribution Mains	1,693,310	29,438		1,722,748	753,471	969,277
333	Services	122,587			122,587	68,244	54,343
334	Meters and Meter Installations	234,182	5,310		239,492	151,158	88,334
335	Hydrants	85,697			85,697	39,658	46,039
336	Backflow Prevention Devices	10,498			10,498	3,151	7,347
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment	16,552			16,552	16,552	0
340.1	Computer & Software				0	0	0
341	Transportation Equipment	25,904			25,904	19,103	6,801
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment	13,412	185		13,597	12,427	1,170
344	Laboratory Equipment				0		0
345	Power Operated Equipment	44,869			44,869	44,869	0
346	Communication Equipment	4,668			4,668	934	3,734
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant	139,758	20,678		160,436	140,792	19,644
	Totals	\$5,315,039	\$73,833	\$0	\$5,388,872	\$3,171,664	\$2,217,208

Valle Verde Water Company
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
302	Franchises	125	0	0	125	125	0		0
303	Land and Land Rights	86,093	0	0	86,093	86,093	0		0
304	Structures and Improvements	520,149	0	0	520,149	503,304	16,845	3.33%	561
305	Collecting & Improving Reservoirs	0	0	0	0	0	0		0
306	Lake, River, Canal Intakes	0	0	0	0	0	0		0
307	Wells and Springs	623,760	1,604	0	625,364	625,364	625,364	3.33%	20,798
308	Infiltration Galleries	0	0	0	0	0	0		0
309	Supply Mains	0	0	0	0	0	0		0
310	Power Generation Equipment	0	0	0	0	0	0		0
311	Pumping Equipment	506,732	16,618	0	523,350	417,934	105,416	12.50%	12,138
320	Water Treatment Equipment	0	0	0	0	0	0		0
320.1	Water Treatment Plants	494,917	0	0	494,917	4,533	490,384	3.33%	16,330
320.2	Solution Chemical Feeders	345	0	0	345	345	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0		0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0		0
330.1	Storage Tanks	609,135	0	0	609,135	609,135	609,135	2.22%	13,523
330.2	Pressure Tanks	82,346	0	0	82,346	82,346	82,346	5.00%	4,117
331	Transmission and Distribution Mains	1,693,310	29,438	0	1,722,748	579,729	1,143,019	2.00%	22,566
333	Services	122,587	0	0	122,587	51,108	71,479	3.33%	2,380
334	Meters and Meter Installations	234,182	5,310	0	239,492	93,702	145,790	8.33%	11,923
335	Hydrants	85,697	0	0	85,697	35,007	50,690	2.00%	1,014
336	Backflow Prevention Devices	10,498	0	0	10,498	10,498	10,498	6.67%	700
339	Other Plant and Misc. Equipment	0	0	0	0	0	0		0
340	Office Furniture and Equipment	16,552	0	0	16,552	16,552	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0		0
341	Transportation Equipment	25,904	0	0	25,904	2,000	23,904	20.00%	4,781
342	Stores Equipment	0	0	0	0	0	0		0
343	Tools, Shop and Garage Equipment	13,412	185	0	13,597	12,063	1,534	5.00%	72
344	Laboratory Equipment	0	0	0	0	0	0		0
345	Power Operated Equipment	44,869	0	0	44,869	44,869	0	5.00%	0
346	Communication Equipment	4,668	0	0	4,668	4,668	4,668	10.00%	467
347	Miscellaneous Equipment	0	0	0	0	0	0		0
348	Other Tangible Plant	139,758	20,678	0	160,436	139,758	20,678	10.00%	1,034
	Subtotal	\$5,315,039	\$73,833	\$0	\$5,388,872	\$1,987,122	\$3,401,750		\$112,404

Contribution(s) in Aid of Construction (Gross) \$2,348,192
Less: Non Amortizable Contribution(s) 2,500
Fully Amortized Contribution(s) _____
Amortizable Contribution(s) \$2,345,692
Times: Proposed Amortization Rate 4.05%
Amortization of CIAC \$95,042

Less: Amortization of CIAC \$95,042

DEPRECIATION EXPENSE \$17,362

Valle Verde Water Company
 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		\$180,758	\$178,174
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		23,799	40,878
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments		30,542	21,127
174	Miscellaneous Current and Accrued Assets		176,754	101,547
	Total Current and Accrued Assets		\$411,853	\$341,726
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$5,315,039	\$5,388,872
103	Property Held for Future Use			
105	Construction Work in Progress		19,254	19,254
108	Accumulated Depreciation (enter as negative)*		(3,060,074)	(3,171,664)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$2,274,219	\$2,236,462
	Total Assets		\$2,686,072	\$2,578,188

*Note these items feed automatically from AR3 UPIS Page 4

Valle Verde Water Company
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		\$49,068	\$53,870
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		36,345	37,804
236	Accrued Taxes		3,605	3,945
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			226
	Total Current Liabilities		\$89,018	\$95,845
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$557,397	\$525,322
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	
252	Advances in Aid of Construction		880,714	869,789
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		2,348,192	2,348,192
272	Less: Amortization of Contributions		(991,225)	(1,086,267)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$2,237,681	\$2,131,714
	Total Liabilities		\$2,884,096	\$2,752,881
	Capital Accounts			
201	Common Stock Issued		\$0	
211	Other Paid-In Capital			
215	Retained Earnings		(198,024)	(174,693)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(\$198,024)	(\$174,693)
	Total Liabilities and Capital		\$2,686,072	\$2,578,188

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

Valle Verde Water Company
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	\$536,909	\$550,741
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	6,648	6,766
	Total Revenues	\$543,557	\$557,507
	Operating Expenses		
601	Salaries and Wages	\$132,865	\$85,314
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	44,303	40,388
618	Chemicals	3,796	1,709
620	Materials and Supplies		
620.1	Repairs and Maintenance	21,511	8,216
620.2	Office Supplies and Expense	24,592	22,161
630	Contractual Services	22,800	1,932
631	Contractual Services - Engineering	0	650
632	Contractual Services - Accounting	4,811	9,167
633	Contractual Services - Legal	17,409	18,003
634	Contractual Services - Management Fees	111,544	109,395
635	Contractual Services - Water Testing	3,899	3,625
636	Contractual Services - Other	2,589	3,708
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment	22,406	2,425
650	Transportation Expenses	1,638	2,082
657	Insurance - General Liability	13,527	7,544
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	214	
670	Bad Debt Expense	8,856	
675	Miscellaneous Expense	1,122	2,350
403	Depreciation Expense (From Schedule AR4)	17,362	28,433
408	Taxes Other Than Income	10,303	6,912
408.11	Property Taxes	33,719	11,501
409	Income Taxes		
427.1	Customer Security Deposit Interest	956	769
	Total Operating Expenses	\$500,222	\$366,284
	Operating Income / (Loss)	\$43,335	\$191,223
	Other Income / (Expense)		
419	Interest and Dividend Income		\$0
421	Non-Utility Income	548	267
426	Miscellaneous Non-Utility (Expense)		0
427	Interest (Expense)	(21,152)	(22,861)
	Total Other Income / (Expense)	(\$20,604)	(\$22,594)
	Net Income / (Loss)	\$22,731	\$168,629

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.5	0.0	0.0	0.5
Vice-president	0.5	0.0	0.0	0.5
Manager	0.0	0.0	1.0	1.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	2.0	0.0	0.0	2.0
Meter reader	1.0	0.0	0.0	1.0
Customer Service	0.0	0.0	1.0	1.0
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	0.3	0.3
Other	0.0	0.0	0.0	0.0
Total	4.0	0.0	2.5	6.5

Valle Verde Water Company
 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	6/24/2011			
Source of Loan	WIFA			
ACC Decision No.	71899			
Reason for Loan	Upgrades			
Dollar Amt. Issued	\$1,063,478			
Amount Outstanding	\$513,651			
Date of Maturity	6/1/2031			
Interest Rate	0.94%			
Current Year Interest	\$5,038			
Current Year Principal	\$43,746			

Meter Deposit Balance at Test Year End:	\$8,146
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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:		VALLE VERDE WATER CO									
ADEQ Public Water System Number:		AZ0412009									
ADWR PCC Number:		91-000593.0000									
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	
55-617054 - Well 2	30	400	260	16	Submersible	1972			6	Metered	Yes
55-617055 - Well 3	30	130	210	12	Submersible	1971			3	Metered	Yes
55-500951 - Well 5	50	350	400	16	Submersible	1982			6	Metered	Yes

Name of system water delivered to:

ADWR PCC Number:

Source of water delivered to another system:

Name of system water received from:

ADWR PCC Number:

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	7,976,600.00	5,843,794.00	0.00	0.00	10,000.00	\$2,539	22,631
February	5,398,200.00	4,560,605.00	0.00	0.00	20,000.00	2,764	15,530
March	5,704,100.00	4,641,689.00	0.00	0.00	6,000.00	3,114	19,943
April	9,206,200.00	6,948,082.00	0.00	0.00	2,500.00	3,606	24,743
May	7,341,600.00	6,747,769.00	0.00	0.00	45,000.00	3,742	25,596
June	8,461,500.00	7,268,693.00	0.00	0.00	40,300.00	3,624	24,974
July	11,363,800.00	9,355,646.00	0.00	0.00	40,500.00	3,733	26,245
August	4,791,200.00	3,994,552.00	0.00	0.00	50,000.00	2,800	16,387
September	6,225,200.00	4,810,460.00	0.00	0.00	50,000.00	3,454	23,153
October	6,792,300.00	5,589,153.00	0.00	0.00	60,000.00	4,012	26,491
November	6,475,900.00	5,300,156.00	0.00	0.00	40,000.00	4,737	31,542
December	6,727,300.00	6,227,533.00	0.00	0.00	65,000.00	5,209	35,222
Totals	86,463,900.00	71,288,132.00	0.00	0.00	429,300.00	\$43,334	292,457

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 The authorized uses consisted of 65,300 gallons of water used for flushing lines and hydrants. Construction and road work totaled 23,000 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.

Well and Water Usage											
Name of the System:											VALLE VERDE WATER CO LOS
ADEQ Public Water System Number:											AZ0412025
ADWR PCC Number:											91-000819.0000
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 2019	Meter Size (inches)	How measured:	Active	
55-528348 - Well 10	30	450	290	12	Submersible	2000		6	Metered	Yes	

Name of system water delivered to: _____
 ADWR PCC Number: _____
 Source of water delivered to another system: _____

Name of system water received from: _____
 ADWR PCC Number: _____
 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	221,000.00	168,094.00	0.00	0.00	0.00		
February	189,700.00	153,988.00	0.00	0.00	0.00		
March	160,200.00	145,966.00	0.00	0.00	0.00		
April	234,700.00	170,862.00	0.00	0.00	0.00		
May	1,103,500.00	1,007,846.00	0.00	0.00	0.00		
June	343,100.00	339,222.00	0.00	0.00	0.00		
July	462,300.00	460,220.00	0.00	0.00	0.00		
August	294,300.00	223,369.00	0.00	0.00	0.00		
September	277,800.00	248,494.00	0.00	0.00	0.00		
October	217,800.00	200,844.00	0.00	0.00	0.00		
November	281,600.00	215,283.00	0.00	0.00	0.00		
December	202,800.00	142,880.00	0.00	0.00	0.00		
Totals	3,988,800.00	3,477,070.00	0.00	0.00	0.00	\$0	0

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

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.
 #VALUE!
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:	VALLE VERDE WATER CO		
ADEQ Public Water System Number:	AZ0412009		
ADWR PCC Number:	91-000593.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	4,361
4.00	PVC	39,918
6.00	PVC	12,982
6.00	DIP/ACP	677
8.00	PVC	13,467
8.00	DIP/ACP	55
		includes system
		12-025

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	478	11%	19%
0.75	336	39%	25%
1	43	16%	23%
1.5	3	100%	100%
2	19	89%	63%
3	11	45%	36%
4	1	100%	100%

SERVICE LINES			
Material	Percent of system	Year installed	
Galvanized steel	50%	1950s	
PVC	50%	1970s	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
7.5	150	1	
25	500	2	
40	800	1	
100	2,000	2	

FIRE HYDRANTS	
Type	Quantity
Standard *	44
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
190,000	Steel	1	2012
800,000	Steel	1	1970s

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
7,000	Steel	1	1970s
10,000	Steel	2	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:	3 chlorinators, GAC system (offline 10/2015)
STRUCTURES:	12 x 12 foot office, 3 x 5 foot chlorinator
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

239

 Method used:

(a)

Water Utility Plant Description

Name of the System:		VALLE VERDE WATER CO LOS
ADEQ Public Water System Number:	AZ0412025	
ADWR PCC Number:	91-000819.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
		included with system 12-009

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
0.75	5	0%	100%
1	1	0%	0%
2	3	66%	0%
3	4	75%	25%

SERVICE LINES			
Material	Percent of system	Year installed	
Black poly	100%	2000	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
15	300	2	
30	600	3	

FIRE HYDRANTS	
Type	Quantity
Standard *	14
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
2,000	Steel	1	2000

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	1	2000

* 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:	2 work trucks owned, 1 leased
---------------	-------------------------------

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 days.
- (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	953
Method used:	(a)

Customer and Other Information	
Name of the System:	VALLE VERDE WATER CO
ADEQ Public Water System Number:	AZ0412009
ADWR PCC Number:	91-000593.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	818	0	0	0	0
February	814	0	0	0	0
March	811	0	0	0	0
April	814	0	0	0	0
May	823	0	0	0	0
June	830	0	0	0	0
July	824	0	0	0	0
August	820	0	0	0	0
September	823	0	0	0	0
October	826	0	0	0	0
November	824	0	0	0	0
December	816	0	0	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.

Customer and Other Information	
Name of the System:	VALLE VERDE WATER CO LOS
ADEQ Public Water System Number:	AZ0412025
ADWR PCC Number:	91-000819.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	9	0	0	0	0
February	9	0	0	0	0
March	9	0	0	0	0
April	9	0	0	0	0
May	10	0	0	0	0
June	10	0	0	0	0
July	10	0	0	0	0
August	10	0	0	0	0
September	10	0	0	0	0
October	10	0	0	0	0
November	10	0	0	0	0
December	9	0	0	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 12b.

Valle Verde Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects		
Name of the System:	VALLE VERDE WATER CO	
ADEQ Public Water System Number:		AZ0412009
ADWR PCC Number:		91-000593.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	13	0
February	0	9	0
March	0	6	0
April	0	10	0
May	0	15	0
June	0	7	0
July	0	16	0
August	0	4	0
September	0	13	0
October	0	4	0
November	0	0	0
December	0	0	0
Total	0	97	0

Other (description):

n/a

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.

Valle Verde Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects		
Name of the System:	VALLE VERDE WATER CO LOS	
ADEQ Public Water System Number:		AZ0412025
ADWR PCC Number:		91-000819.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

n/a

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	\$33,719

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.

Valle Verde Water Company
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: Valle Verde Water Company

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

FOR THE YEAR ENDING: 12/31/21

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.

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
(county name)
April 2022
(month) and (year).

MY COMMISSION EXPIRES

12/18/2022
(date)



Rose S Chacon
(signature of notary public)

NOTARY PUBLIC
2022 MAY 19 P 1:53
ARIZONA

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: Valle Verde Water Company

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$589,156

(The amount in the box above includes

\$45,598

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

THIS

19th

DAY OF

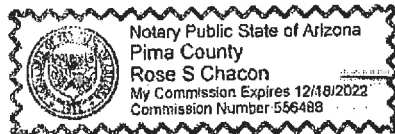
Pima
(county name)

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 I, the undersigned of the
(state name)
County of (county name): Pima
Name (owner or official) title: Dorinda Chacon, Manager
Company name: Valle Verde Water Company

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$589,156
(The amount in the box above includes
\$45,598 in sales taxes
billed or collected)

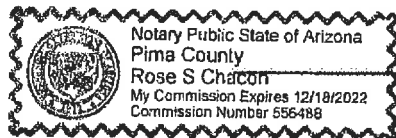
Dorinda Chacon
signature of owner/official
520-624-1460 x 110
telephone no.

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)

RECEIVED
UTILITY CORPORATION
2022 MAY 19 P 1:53
ARIZONA CORPORATION

Valle Verde Water Company
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: Valle Verde Water Company

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.

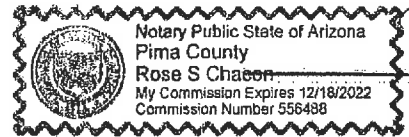
Dorinda Chacon
signature of owner/official

520-624-1460 x 110
telephone no.

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

THIS 14th DAY OF April 2022
(month) and (year)

MY COMMISSION EXPIRES 12/18/2022
(date)



Rose S. Chacon
(signature of notary public)

RECEIVED
UTILITY DIVISION
2022 MAY 19 P 1:53
ARIZONA DEPARTMENT OF REVENUE