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**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

ANNUAL REPORT

Of

Company Name:
6808 N. Dysart Rd., Ste. 112

Mailing Address: Glendale AZ
85307

Docket No.: W-01412A
For the Year Ended:

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:
Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Valley Utilities Water 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	
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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	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	747,349	83,816	0	831,165	0	831,165
304	Structures and Improvements	415,951	5,543	0	421,494	132,335	289,159
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	2,277,386	746,269	0	3,023,655	820,674	2,202,981
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	17,611	767	0	18,378	4,263	14,115
311	Pumping Equipment	1,403,213	1,420,303	68,740	2,754,776	1,106,173	1,648,603
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	2,162,960	97,186	0	2,260,146	835,913	1,424,233
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	887,698	543,919	0	1,431,617	482,078	949,539
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	5,426,941	1,006,629	0	6,433,570	2,055,474	4,378,096
333	Services	460,809	395,119	175	855,753	134,929	720,824
334	Meters and Meter Installations	610,766	65,431	12,629	663,568	411,715	251,853
335	Hydrants	371,111	143,868	0	514,979	100,540	414,439
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	56,452	111,014	0	167,466	17,697	149,769
340	Office Furniture and Equipment	95,089	0	0	95,089	80,509	14,580
340.1	Computer & Software	10,030	3,823	0	13,853	3,391	10,462
341	Transportation Equipment	217,028	53,709	23,022	247,715	151,284	96,431
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	60,124	10,018	0	70,142	51,822	18,320
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	5,930	72,659	0	78,589	7,746	70,843
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	53,493	0	0	53,493	42,434	11,059
348	Other Tangible Plant	6,090	0	0	6,090	6,076	14
	Totals	\$15,286,031	\$4,760,073	\$104,566	\$19,941,538	\$6,445,053	\$13,496,485

Valley Utilities 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	\$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	747,349	83,816	0	831,165	831,165	0	0.00%	0
304	Structures and Improvements	415,951	5,543	0	421,494	0	421,494	3.33%	13,943
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	2,277,386	746,269	0	3,023,655	0	3,023,655	3.33%	88,263
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	17,611	767	0	18,378	0	18,378	5.00%	901
311	Pumping Equipment	1,403,213	1,420,303	68,740	2,754,776	744,955	2,009,821	12.50%	168,036
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	2,162,960	97,186	0	2,260,146	0	2,260,146	3.33%	81,228
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	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	887,698	543,919	0	1,431,617	0	1,431,617	2.22%	25,744
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	5,426,941	1,006,629	0	6,433,570	0	6,433,570	2.00%	118,605
333	Services	460,809	395,119	175	855,753	0	855,753	3.33%	21,921
334	Meters and Meter Installations	610,766	65,431	12,629	663,568	290,892	372,676	8.33%	28,320
335	Hydrants	371,111	143,868	0	514,979	0	514,979	2.00%	8,861
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	56,452	111,014	0	167,466	1,237	166,229	6.67%	7,385
340	Office Furniture and Equipment	95,089	0	0	95,089	68,321	26,768	6.67%	1,785
340.1	Computer & Software	10,030	3,823	0	13,853	0	13,853	20.00%	2,388
341	Transportation Equipment	217,028	53,709	23,022	247,715	48,167	199,548	20.00%	34,862
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	60,124	10,018	0	70,142	0	70,142	5.00%	3,258
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	5,930	72,659	0	78,589	5,930	72,659	5.00%	1,816
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	53,493	0	0	53,493	20,000	33,493	10.00%	3,349
348	Other Tangible Plant	6,090	0	0	6,090	0	6,090	3.33%	202
	Subtotal	\$15,286,031	\$4,760,073	\$104,566	\$19,941,538	\$2,010,667	\$17,930,871		\$610,869

Contribution(s) in Aid of Construction (Gross)	\$5,217,707
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$5,217,707
Times: Proposed Amortization Rate	3.41%
Amortization of CIAC	\$177,757

Less: Amortization of CIAC **\$177,757**

DEPRECIATION EXPENSE \$433,112

Valley Utilities 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		\$1,993,560	\$859,383
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		169,669	148,992
146	Notes Receivable from Associated Companies		0	13,741
151	Plant Material and Supplies		33,943	39,200
162	Prepayments		0	240,564
174	Miscellaneous Current and Accrued Assets		48,071	94,880
	Total Current and Accrued Assets		\$2,245,243	\$1,396,760
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$15,286,031	\$19,941,538
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,287,278	139,200
108	Accumulated Depreciation (enter as negative)*		(5,938,750)	(6,445,053)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$10,634,559	\$13,635,685
	Total Assets		\$12,879,802	\$15,032,445

*Note these items feed automatically from AR3 UPIS Page 4

Valley Utilities 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		\$67,377	\$433,105
232	Notes Payable (Current Portion)		128,942	134,405
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		77,418	81,748
236	Accrued Taxes		56,198	56,765
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		16,208	21,315
	Total Current Liabilities		\$346,143	\$727,338
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$466,723	\$333,204
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		5,362,650	7,187,761
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		5,217,707	5,217,707
272	Less: Amortization of Contributions		(1,516,036)	(1,693,793)
281	Accumulated Deferred Income Tax		93,262	65,410
	Total Deferred Credits		\$9,157,583	\$10,777,085
	Total Liabilites		\$9,970,449	\$11,837,627
	Capital Accounts			
201	Common Stock Issued		\$150,000	\$150,000
211	Other Paid-In Capital		264,988	264,988
215	Retained Earnings		2,494,365	2,779,830
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$2,909,353	\$3,194,818
	Total Liabilities and Capital		\$12,879,802	\$15,032,445

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

Valley Utilities 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	\$2,242,842	\$2,345,832
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	45,058	36,808
474	Other Water Revenue	0	0
	Total Revenues	\$2,287,900	\$2,382,640
	Operating Expenses		
601	Salaries and Wages	\$566,223	\$634,748
604	Employee Pensions and Benefits	12,734	13,539
610	Purchased Water	4,086	6,161
615	Purchased Power	187,971	196,416
618	Chemicals	23,490	21,407
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	26,070	20,000
620.2	Office Supplies and Expense	24,205	22,116
630	Contractual Services	0	0
631	Contractual Services - Engineering	2,660	325
632	Contractual Services - Accounting	3,844	3,518
633	Contractual Services - Legal	4,566	4,709
634	Contractual Services - Management Fees	240,000	240,000
635	Contractual Services - Water Testing	14,649	10,941
636	Contractual Services - Other	12,984	0
640	Rents	0	0
641	Rental of Building/Real Property	34,100	33,602
642	Rental of Equipment	0	0
650	Transportation Expenses	23,746	21,968
657	Insurance - General Liability	40,388	37,033
657.1	Insurance - Health and Life	106,956	120,120
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	5,662	2,378
675	Miscellaneous Expense	54,406	53,138
403	Depreciation Expense (From Schedule AR4)	433,112	278,940
408	Taxes Other Than Income	40,555	45,347
408.11	Property Taxes	85,049	80,237
409	Income Taxes	85,396	129,140
427.1	Customer Security Deposit Interest	4,716	3,982
	Total Operating Expenses	\$2,037,568	\$1,979,765
	Operating Income / (Loss)	\$250,332	\$402,875
	Other Income / (Expense)		
419	Interest and Dividend Income	\$6,684	\$11,062
421	Non-Utility Income	52,092	23,841
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(23,652)	(29,627)
	Total Other Income / (Expense)	\$35,124	\$5,276
	Net Income / (Loss)	\$285,456	\$408,151

Valley Utilities 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	0.0	1.0	1.0
Vice-president	0.0	0.0	0.0	0.0
Manager	2.0	0.0	1.0	3.0
Engineering Staff	0.0	0.0	1.0	1.0
System Operator(s)	3.0	0.0	0.2	3.2
Meter reader	1.0	0.0	0.0	1.0
Customer Service	1.0	0.0	0.0	1.0
Accounting	1.0	0.0	0.5	1.5
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	0.3	0.3
Total	8.0	0.0	4.0	12.0

Valley Utilities 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	9/12/2019	1/0/1900	1/0/1900	1/0/1900
Source of Loan	CoBank	0	0	0
ACC Decision No.	77288	0	0	0
Reason for Loan	Refinance	0	0	0
Dollar Amt. Issued	\$743,230	\$0	\$0	\$0
Amount Outstanding	\$470,560	\$0	\$0	\$0
Date of Maturity	4/20/2025	1/0/1900	1/0/1900	1/0/1900
Interest Rate	4.10%	0.00%	0.00%	0.00%
Current Year Interest	\$22,767	\$0	\$0	\$0
Current Year Principal	\$128,942	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$126,592
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Meter Deposits Refunded During the Test Year:	\$12,934
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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: VALLEY UTILITIES WATER COMPANY											
ADEQ Public Water System Number: AZ0407079											
ADWR PCC Number: 91-000214.0000											
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
1. 55-639720	25	100	650	12	Submersible	1942	349	400	4	Metered	Yes
2. Out of Svc	-	-	-	-	-	-	N/A	N/A	-	Metered	No
3. 55-639723	25	70	415	8	Submersible	1965	283	286	4	Metered	Yes
4. Out of Svc	-	-	-	-	-	-	N/A	N/A	0	Metered	No
5. 55-503273	75	300	850	20	Turbine	1982	279	349	6	Metered	Yes
6. Out of Svc	-	-	-	-	-	-	N/A	N/A	-	Metered	No
6A. 55-216455	100	200	550	14	Submersible	2008	329	348	8	Metered	Yes
7. 55-208819	125	380	690	12	Turbine	2007	349	294	8	Metered	Yes
8. 55-225357	125	200	610	16	Turbine	2016	N/A	295	6	Metered	No
9. 55-231466	125	700	744	16	Submersible	2020	N/A	279	6	Metered	Yes

Name of system water delivered to:	LUKE AIR FORCE BASE
ADWR PCC Number:	91-000251.0000
Source of water delivered to another system	Ground Water

Name of system water received from:	LITCHFIELD PARK SERVICE CO.	TIERRA BUENA WATER CO.
ADWR PCC Number:	91-000199.0000	91-000211.0000
Source of water received	Ground Water	Ground Water
Well registry 55# (55-XXXXXX):	Multiple	55-564891

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	28,267,000.00	23,194,350.00	2,948,020.00	0.00	0.00	\$13,467	124,886
February	25,899,000.00	21,636,650.00	2,080,730.00	0.00	0.00	11,734	112,484
March	24,458,000.00	26,805,050.00	2,706,350.00	7,644,150.00	0.00	11,531	115,191
April	22,843,000.00	31,608,090.00	2,190,970.00	13,077,294.00	0.00	11,926	112,048
May	24,585,000.00	33,293,870.00	1,879,250.00	11,807,780.00	0.00	11,767	119,243
June	47,062,000.00	45,097,710.00	2,304,280.00	4,368,468.00	0.00	17,575	210,577
July	44,246,000.00	40,464,800.00	2,594,670.00	648,111.00	0.00	20,195	206,857
August	44,865,000.00	38,540,667.00	4,811,790.00	22,014.00	0.00	18,968	211,901
September	37,245,000.00	33,845,006.00	2,317,910.00	72,731.00	0.00	19,157	177,290
October	37,466,000.00	30,377,000.00	4,614,150.00	29,073.00	0.00	18,010	161,436
November	46,050,000.00	38,476,279.00	3,972,090.00	11,631.00	0.00	18,782	160,623
December	28,355,000.00	24,183,470.00	2,424,410.00	17,281.00	0.00	14,860	105,879
Totals	411,341,000.00	387,522,942.00	34,844,620.00	37,698,533.00	0.00	\$187,971	1,818,415

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

- 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:	VALLEY UTILITIES WATER COMPANY
ADEQ Public Water System Number:	AZ0407079
ADWR PCC Number:	91-000214.0000

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	AC & PVC	10,000
6.00	AC, PVC ,DIP	79,773
8.00	AC, PVC ,DIP	79,623
10.00	DIP	2,952
12.00	AC & DIP	7,064
16.00	DIP & PVC	7,483

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	108	50%	50%
0.75	894	40%	30%
1	843	15%	10%
1.5	20	60%	60%
Compound 2	16	80%	80%
Turbine 2	29	55%	40%
Turbine 3	3	67%	0%
Compound 6	1	100%	0%

SERVICE LINES		
Material	Percent of system	Year installed
Copper	78%	Various
Black poly	21%	Various
PVC	1%	Various

BOOSTER PUMPS		
Horsepower	GPM	Quantity
15	Variable	2
20	Variable	3
30	Variable	2
40	Variable	3
50	Variable	5

FIRE HYDRANTS	
Type	Quantity
Standard *	259
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
100,000	Steel	3	Various
200,000	Steel	1	1983
560,000	Steel	1	2001
1,000,000	Steel	1	2001
500,000	Steel	1	2021

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	1	2002
7,500	Steel	1	1996
10,000	Steel	1	2001
5,000	Steel	1	2021

* 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:	Two Arsenic Treatment Facilities, One 400-Gallon Liquid Chlorinator, Two 300-Gallon Liquid Chlorinators, & One 100-Gallon Liquid Chlorinator.
STRUCTURES:	Two Arsenic Treatment Buildings (2400 & 1200 sq. ft.), Two Motor Control Centers (264 & 192 sq. ft.), 8' x 37' metal storage container, 10' X 14' Electrical Room
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	382
Method used:	(a)

Customer and Other Information	
Name of the System:	VALLEY UTILITIES WATER COMPANY
ADEQ Public Water System Number:	AZ0407079
ADWR PCC Number:	91-000214.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	1,647	32	51	38	7
February	1,649	32	50	39	7
March	1,651	32	52	40	7
April	1,656	32	52	40	7
May	1,655	32	52	40	8
June	1,656	32	52	42	7
July	1,695	32	52	43	9
August	1,711	32	52	43	8
September	1,720	32	52	43	9
October	1,732	32	52	43	9
November	1,751	32	52	43	9
December	1,771	32	52	43	8

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.

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

Utility Shutoffs / Disconnects	
Name of the System:	VALLEY UTILITIES WATER COMPANY
ADEQ Public Water System Number:	AZ0407079
ADWR PCC Number:	91-000214.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	9	0
February	0	5	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	11	0
November	0	4	0
December	0	3	0
Total	0	32	0

Other (description):

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.

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2021 was	
--	--

\$82,552

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: Valley Utilities 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.

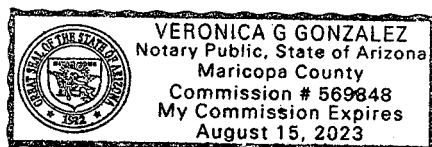
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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 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: Valley Utilities 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 (\$)

\$2,432,071

(The amount in the box above includes

\$144,171 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 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: Valley Utilities 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 (\$)

\$1,538,842

(The amount in the box above includes

\$90,208 in sales taxes

billed or collected)

BTS
signature of owner/official

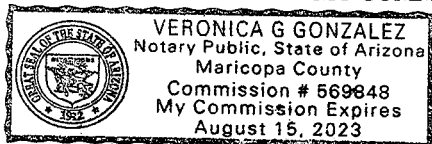
623-935-1100
telephone no.

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)

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: Valley Utilities 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 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.

B.T.

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

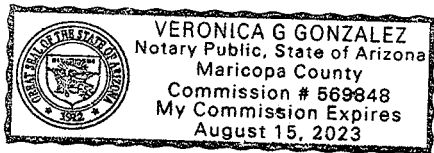
12th

DAY OF

April 2022
(month) and (year)

MY COMMISSION EXPIRES

August 15, 2023
(date)



Veronica G. Gonzalez
(signature of notary public)