

NEW APPLICATION

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 5

BEFORE THE ARIZONA CORPORATION COMMISSION

7
 8 IN THE MATTER OF THE APPLICATION OF
 PIMA UTILITY COMPANY, AN ARIZONA
 CORPORATION, FOR AUTHORITY TO:
 9 (1) ISSUE EVIDENCE OF INDEBTEDNESS IN
 AN AMOUNT NOT TO EXCEED \$7,500,000;
 10 AND (2) ENCUMBER ITS REAL PROPERTY
 AND PLANT AS SECURITY FOR SUCH
 11 INDEBTEDNESS.
 12

DOCKET NO: SW-02199A-26-____
 APPLICATION (FINANCING)

13 Pursuant to A.R.S. §§ 40-301 and 40-302, Pima Utility Company (“Pima” or
 14 “Company”), an Arizona public service corporation, hereby applies for authority from the
 15 Arizona Corporation Commission (“Commission”) to (1) issue evidence of indebtedness
 16 in an amount not to exceed \$7,500,000 on the terms and conditions set forth below, and
 17 (2) encumber its real property and utility plant as security for such indebtedness.
 18 Pima addresses its sewer system in this Application.¹

19 In support of this Application, Pima states as follows:

20 **A. General Background.**

21 1. Pima is an Arizona public service corporation engaged in providing
 22 water and sewer utility services to Sun Lakes, a community in Chandler, Arizona, and two
 23 subdivisions adjacent to Sun Lakes, Oakwood Hills and San Tan Vista, all located in
 24 Maricopa County, pursuant to certificates of convenience and necessity granted by the

25 ¹ Pima will file a stipulation to consolidate this proceeding with its rate applications (Docket No. W-02199A-25-0269
 26 and Docket No. SW-02199A-25-0270), and the financing application filed for its water system (docket number to be
 determined).

1 Commission.

2 2. Pima's present rates and charges for utility service were approved by
3 the Commission in Decision No. 76540 (January 3, 2018) as amended by Decision No.
4 76768 (June 26, 2018).

5 3. The Company's office is located at 4720 E. Cotton Gin Loop,
6 Suite 130, Phoenix, Arizona 85040 and its telephone number is (888) 712-1120.
7 The primary management contact is Jason Williamson, the Company's Chief Executive
8 Officer.

9 4. Jill Schwartz is the person responsible for overseeing and directing
10 the conduct of this Application. Her business address is 4720 E. Cotton Gin Loop,
11 Suite 130, Phoenix, Arizona 85040; her telephone number is (314) 401-2761; and her e-
12 mail address is jschwartz@jwwater.net. **All discovery, data requests and other**
13 **requests for information concerning this Application should be directed to**
14 **Ms. Schwartz, with a copy by e-mail to undersigned counsel at jay@shapslawaz.com**
15 **and whitney@shapslawaz.com.**

16 5. Financial statements for the twelve-month period ending
17 December 31, 2025, and statements projecting Pima's estimated financial performance for
18 the next five years are attached as **Exhibit 1**.

19 **B. Purposes of Financial Transaction.**

20 6. Pima seeks Commission approval of long-term debt financing herein
21 to rebalance the Company's current capital structure of 100% equity to a capital structure
22 of 65% equity and 35% debt and for financing capital expenditures and/or general
23 corporate purposes.

24 7. If this Application is approved, Pima will borrow the amount
25 necessary to achieve and maintain a capital structure consisting of 65% equity and 35%
26 debt, which amount will not exceed \$7,500,000.

1 **C. Terms and Conditions of Financial Transactions.**

2 8. The lender will be JW Water Holdings, LLC (“JW Water”), the
3 parent company, or an affiliate to be formed for the purpose of being the lender to
4 subsidiaries. The lender’s term sheet is attached hereto as **Exhibit 2**. JW Water, or an
5 affiliate to be formed, will provide the loan at a fixed rate based on the 20-year
6 US Treasury rate plus 150-basis points. The rate shall be determined using the Treasury
7 rate applicable on the closing date. The maturity date for the debt financing from
8 JW Water, or an affiliate, shall not be more than 20 years after closing.

9 **D. Effects of Financial Transactions.**

10 9. Pima’s pro forma balance sheet for the period ending December 31,
11 2027 is included in **Exhibit 1**. The pro forma balance sheet reflects the impact of the
12 financing transactions that are the subject of this Application. As noted, the Company’s
13 pro forma capital structure is approximately 65% equity and 35% debt.

14 10. With the proposed new debt, Pima will have a Debt Service
15 Coverage Ratio (“DSCR”) of 4.16 and a Times Interest Earned Ratio (“TIER”) of 3.00
16 based upon a pro forma 2027 balance sheet and 2027 income statement (see **Exhibit 1**).
17 Projected balance sheets and income statements for the years 2026-2030 are shown in
18 **Exhibit 1** along with the resulting DSCR and TIER for each projected year.

19 11. The proposed debt will be fully amortized over, up to, 240 equal
20 monthly installments, on a mortgage style basis. The amortization schedule for the
21 current estimated loan amount is shown in **Exhibit 3**.

22 12. The loan proceeds will be issued for lawful purposes, as discussed
23 herein, and the execution of the loan agreement with JW Water, or an affiliate, and the
24 grant of a security interest in Pima’s real property, plant and system, and the undertaking
25 of the obligations set forth therein are within the Company’s corporate powers.
26 A Corporate Resolution authorizing the contemplated transaction is attached as **Exhibit 4**.

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RESPECTFULLY SUBMITTED this 30th day of January, 2026.

SHAPIRO LAW FIRM, P.C.

By: /s/ Jay L. Shapiro
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ORIGINAL was e-Filed
this 30th day of January, 2026, with:

Docket Control
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

By: /s/ Whitney Birk

Pima Financing Application

EXHIBIT 1



Line No.	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
1 Revenues						
2 Flat Rate & Measured Revenues	\$ 3,615,234	\$ 3,660,478	\$ 5,782,565	\$ 5,782,565	\$ 5,782,565	\$ 5,782,565
3 Other Revenues	19,100	26,740	26,740	26,740	26,740	26,740
4 Total Revenues	\$ 3,634,334	\$ 3,687,218	\$ 5,809,305	\$ 5,809,305	\$ 5,809,305	\$ 5,809,305
5 Operating Expenses						
6 Salaries and Wages	\$ 664,324	\$ 664,324	\$ 684,254	\$ 704,782	\$ 725,925	\$ 747,703
7 Salaries and Wages - Officers	19,157	-	-	-	-	-
8 Employee Benefits	125,602	125,602	129,370	133,251	137,248	141,366
9 Sludge Removal Expense	191,719	192,014	197,774	203,707	209,818	216,113
10 Purchased Power	179,167	183,072	188,564	194,221	200,047	206,049
11 Chemicals	382,324	382,911	394,398	406,230	418,417	430,969
12 Materials and Supplies	151,486	151,430	155,973	160,652	165,472	170,436
13 Office Expenses	98,545	89,999	92,699	95,480	98,344	101,294
14 Contractual Services - Engineering	7,121	7,121	7,334	7,554	7,781	8,015
15 Contractual Services - Accounting	23,301	76,462	78,756	81,119	83,552	86,059
16 Contractual Services - Legal	508	129,812	133,706	137,717	141,849	146,104
17 Contractual Services - Management Fees	-	759,730	782,522	805,997	830,177	855,083
18 Contractual Services - Testing	36,892	36,892	37,999	39,139	40,313	41,522
19 Contractual Services - Other	222,214	123,831	127,546	131,372	135,313	139,372
20 Building Rent	-	-	-	-	-	-
21 Equipment Rent	32,522	32,522	33,498	34,503	35,538	36,604
22 Transportation Expense	22,443	22,443	23,116	23,810	24,524	25,260
23 Insurance - Vehicle	15,896	15,896	16,372	16,864	17,370	17,891
24 Insurance - General Liability	130,546	130,546	134,462	138,496	142,651	146,930
25 Insurance - Workman's Compensation	-	-	-	-	-	-
26 Insurance - Other	-	-	-	-	-	-
27 Advertising Expenses	-	-	-	-	-	-
28 Regulatory Commission Expenses - Rate Case	-	-	-	-	-	-
29 Regulatory Commission Expenses - Other	-	-	-	-	-	-
30 Depreciation and Amortization	915,940	1,032,264	1,148,589	1,148,589	1,148,589	1,148,589
31 Bad Debt Expense	9,121	8,005	8,246	8,493	8,748	9,010
32 Property Taxes	137,641	139,403	147,495	177,166	206,511	235,143
33 Miscellaneous Expense	27,690	27,690	28,521	29,376	30,257	31,165
34 Taxes Other than Income	95,371	95,371	98,232	101,179	104,215	107,341
35 Income Taxes	93,346	50	192,294	162,531	132,264	101,578
37 Total Operating Expenses	\$ 3,582,877	\$ 4,427,389	\$ 4,841,720	\$ 4,942,228	\$ 5,044,925	\$ 5,149,598
38 Operating Income	\$ 51,456	\$ (740,171)	\$ 967,585	\$ 867,077	\$ 764,380	\$ 659,708
39 Other Income (Expense)						
40 Gains (Losses) From Disposition of Utility Property	4,500	-	-	-	-	-
41 Interest and Dividend Income	22,421	-	-	-	-	-
42 Miscellaneous Non-Utility Income	2,594,360	-	-	-	-	-
43 Miscellaneous Non-Utility Expenses	(667)	-	-	-	-	-
44 Interest Expense	-	-	(386,714)	(376,113)	(364,844)	(352,866)
46 Total Other Income (Expense)	\$ 2,620,615	\$ -	\$ (386,714)	\$ (376,113)	\$ (364,844)	\$ (352,866)
47 Net Profit (Loss)	\$ 2,672,071	\$ (740,171)	\$ 580,871	\$ 490,964	\$ 399,536	\$ 306,841
50 Debt Service Coverage Ratio (DSCR)						
51 [1] EBITDA			\$ 2,308,468	\$ 2,178,197	\$ 2,045,234	\$ 1,909,875
52 Principle			168,418	179,020	190,288	202,266
53 Interest			386,714	376,113	364,844	352,866
54 [2] Total Payment			\$ 555,133	\$ 555,133	\$ 555,133	\$ 555,133
55 DSCR [1]/[2]			4.16	3.92	3.68	3.44
57 Times Interest Earned Ratio (TIER)						
58 [3] EBIT			\$ 1,159,879	\$ 1,029,608	\$ 896,644	\$ 761,286
59 [4] Interest			386,714	376,113	364,844	352,866
60 TIER [3]/[4]			3.00	2.74	2.46	2.16
62 Assumptions:						
63 (1) Assumes proposed revenue increase from current rate case goes into effect in February 2027.						
64 (2) Assumes increase in operating expenses of 3% annually.						
65 (3) Property Taxes computed using ADOR formula.						
66 (4) Income taxes computed using statutory rates.						
67 (5) Assumes payments on debt from new financing begins in 2027 based upon funding of capital improvements and capital structure rebalancing in 2026						



Line No.	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
1	ASSETS					
2	\$ 29,469,386	\$ 35,279,310	\$ 35,279,310	\$ 35,279,310	\$ 35,279,310	\$ 35,279,310
3	-	-	-	-	-	-
4	28,528	28,528	28,528	28,528	28,528	28,528
5	-	-	-	-	-	-
6	(21,586,379)	(22,618,644)	(23,767,233)	(24,915,822)	(26,064,412)	(27,213,001)
7	\$ 7,911,534	\$ 12,689,194	\$ 11,540,605	\$ 10,392,015	\$ 9,243,426	\$ 8,094,837
8						
9	CURRENT ASSETS					
10	\$ 10,000	\$ 502,093	\$ 599,476	\$ 630,261	\$ 593,321	\$ 487,719
11	-	-	-	-	-	-
12	356,522	356,522	356,522	356,522	356,522	356,522
13	5,672,637	5,672,637	5,672,637	5,672,637	5,672,637	5,672,637
14	-	-	-	-	-	-
15	-	-	-	-	-	-
16	-	-	-	-	-	-
17	(55,030)	(55,030)	(55,030)	(55,030)	(55,030)	(55,030)
18	-	-	-	-	-	-
19	-	-	-	-	-	-
20	\$ 5,984,129	\$ 6,476,222	\$ 6,573,605	\$ 6,604,390	\$ 6,567,450	\$ 6,461,848
21						
22	OTHER ASSETS					
23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	-	-	-	-	-	-
25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26						
27	\$ 13,895,664	\$ 19,165,416	\$ 18,114,210	\$ 16,996,405	\$ 15,810,876	\$ 14,556,685
28						
29	LIABILITIES AND STOCKHOLDER EQUITY					
30						
31	\$ 13,002,252	\$ 11,876,803	\$ 11,193,519	\$ 10,466,946	\$ 9,696,352	\$ 8,881,127
32						
33	\$ -	\$ 6,395,202	\$ 6,027,279	\$ 5,636,048	\$ 5,221,113	\$ 4,782,146
34						
35	CURRENT LIABILITIES					
36	\$ 176,163	\$ 176,163	\$ 176,163	\$ 176,163	\$ 176,163	\$ 176,163
37	-	-	-	-	-	-
38	572,928	572,928	572,928	572,928	572,928	572,928
39	-	-	-	-	-	-
40	-	-	-	-	-	-
41	-	-	-	-	-	-
42	89,859	89,859	89,859	89,859	89,859	89,859
43	-	-	-	-	-	-
44	54,462	54,462	54,462	54,462	54,462	54,462
45	\$ 893,412	\$ 893,412	\$ 893,412	\$ 893,412	\$ 893,412	\$ 893,412
46						
47	DEFERRED CREDITS					
48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
49	-	-	-	-	-	-
50	-	-	-	-	-	-
51	-	-	-	-	-	-
52	-	-	-	-	-	-
53	-	-	-	-	-	-
54	-	-	-	-	-	-
55	-	-	-	-	-	-
56	1,261,344	1,261,344	1,261,344	1,261,344	1,261,344	1,261,344
57	(1,261,344)	(1,261,344)	(1,261,344)	(1,261,344)	(1,261,344)	(1,261,344)
58	-	-	-	-	-	-
59	-	-	-	-	-	-
60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
61						
62	\$ 13,895,664	\$ 19,165,416	\$ 18,114,210	\$ 16,996,405	\$ 15,810,876	\$ 14,556,685
63						
64	% Debt	0.0%	35.0%	35.0%	35.0%	35.0%
65	% Equity	100.0%	65.0%	65.0%	65.0%	65.0%

Pima Financing Application

EXHIBIT 2



Term Sheet

Lender:	JW Water Holdings, LLC or an affiliate to be formed for the purpose of being the lender to subsidiaries.
Borrower:	Pima Utility Company - Sewer
Guarantor(s):	None
Type of Credit:	Seller financing
Purpose:	Achieve and maintain a capital structure of 65% equity and 35% debt. The Company will accomplish this through a funding of capital projects or rebalancing of the capital structure as necessary.
Loan Amount:	\$7,500,000
Amortization:	Two hundred forty (240) equal monthly installments, on a mortgage style basis, fully amortizing.
Maturity Date:	20 years after Closing Date
Collateral:	All Real Property and Plant Assets of the Borrower
Interest Rate:	A fixed rate based on the 20-year US Treasury rate plus a 150-basis point (1.5%) credit spread. The rate shall be determined using the Treasury rate applicable on the closing date. Based on the 20-year US Treasury rate as of November 25, 2025, of 4.62%, the indicative all-in rate, including the credit spread, would be 6.12%.
Closing Costs:	One-half of the escrow fees
Repayment Terms:	Principal and interest payments will be made monthly. Based on the indicative rate noted above, the total monthly payment would be \$54,253. The actual payments will be based on the current 20-year US Treasury rate plus the applicable spread.
Prepayment Penalty:	None

Pima Financing Application

EXHIBIT 3



Pima Utility Company - Sewer

Amortization Schedule

At Projected Loan Amount

Exhibit 3

Principle \$ 6,395,202
 Term (Years) 20
 Months 240
 Annual Rate 6.12%
 Monthly Rate 0.51%

<u>Month</u>	<u>Year</u>	<u>Principle</u>	<u>Interest</u>	<u>Payment</u>			
1	2027	13,646	32,616	46,261			
2	2027	13,715	32,546	46,261			
3	2027	13,785	32,476	46,261			
4	2027	13,855	32,406	46,261			
5	2027	13,926	32,335	46,261			
6	2027	13,997	32,264	46,261			
7	2027	14,068	32,193	46,261			
8	2027	14,140	32,121	46,261			
9	2027	14,212	32,049	46,261			
10	2027	14,285	31,976	46,261			
11	2027	14,358	31,903	46,261	Principle	Interest	Total
12	2027	14,431	31,830	46,261	168,418	386,714	555,133
13	2028	14,504	31,757	46,261			
14	2028	14,578	31,683	46,261			
15	2028	14,653	31,608	46,261			
16	2028	14,727	31,534	46,261			
17	2028	14,803	31,458	46,261			
18	2028	14,878	31,383	46,261			
19	2028	14,954	31,307	46,261			
20	2028	15,030	31,231	46,261			
21	2028	15,107	31,154	46,261			
22	2028	15,184	31,077	46,261			
23	2028	15,261	31,000	46,261	Principle	Interest	Total
24	2028	15,339	30,922	46,261	179,020	376,113	555,133
25	2029	15,417	30,844	46,261			
26	2029	15,496	30,765	46,261			
27	2029	15,575	30,686	46,261			
28	2029	15,655	30,607	46,261			
29	2029	15,734	30,527	46,261			
30	2029	15,815	30,446	46,261			
31	2029	15,895	30,366	46,261			



Pima Utility Company - Sewer
 Amortization Schedule
 At Projected Loan Amount

Exhibit 3

32	2029	15,976	30,285	46,261			
33	2029	16,058	30,203	46,261			
34	2029	16,140	30,121	46,261			
35	2029	16,222	30,039	46,261	Principle	Interest	Total
36	2029	16,305	29,956	46,261	190,288	364,844	555,133
37	2030	16,388	29,873	46,261			
38	2030	16,471	29,790	46,261			
39	2030	16,555	29,706	46,261			
40	2030	16,640	29,621	46,261			
41	2030	16,725	29,536	46,261			
42	2030	16,810	29,451	46,261			
43	2030	16,896	29,365	46,261			
44	2030	16,982	29,279	46,261			
45	2030	17,069	29,192	46,261			
46	2030	17,156	29,105	46,261			
47	2030	17,243	29,018	46,261	Principle	Interest	Total
48	2030	17,331	28,930	46,261	202,266	352,866	555,133
49	2031	17,419	28,842	46,261			
50	2031	17,508	28,753	46,261			
51	2031	17,598	28,663	46,261			
52	2031	17,687	28,574	46,261			
53	2031	17,778	28,483	46,261			
54	2031	17,868	28,393	46,261			
55	2031	17,959	28,302	46,261			
56	2031	18,051	28,210	46,261			
57	2031	18,143	28,118	46,261			
58	2031	18,236	28,026	46,261			
59	2031	18,329	27,933	46,261			
60	2031	18,422	27,839	46,261			
61	2032	18,516	27,745	46,261			
62	2032	18,610	27,651	46,261			
63	2032	18,705	27,556	46,261			
64	2032	18,801	27,460	46,261			
65	2032	18,897	27,364	46,261			
66	2032	18,993	27,268	46,261			
67	2032	19,090	27,171	46,261			
68	2032	19,187	27,074	46,261			
69	2032	19,285	26,976	46,261			



Pima Utility Company - Sewer

Amortization Schedule

At Projected Loan Amount

Exhibit 3

70	2032	19,383	26,878	46,261
71	2032	19,482	26,779	46,261
72	2032	19,582	26,679	46,261
73	2033	19,681	26,580	46,261
74	2033	19,782	26,479	46,261
75	2033	19,883	26,378	46,261
76	2033	19,984	26,277	46,261
77	2033	20,086	26,175	46,261
78	2033	20,188	26,073	46,261
79	2033	20,291	25,970	46,261
80	2033	20,395	25,866	46,261
81	2033	20,499	25,762	46,261
82	2033	20,604	25,658	46,261
83	2033	20,709	25,552	46,261
84	2033	20,814	25,447	46,261
85	2034	20,920	25,341	46,261
86	2034	21,027	25,234	46,261
87	2034	21,134	25,127	46,261
88	2034	21,242	25,019	46,261
89	2034	21,350	24,911	46,261
90	2034	21,459	24,802	46,261
91	2034	21,569	24,692	46,261
92	2034	21,679	24,582	46,261
93	2034	21,789	24,472	46,261
94	2034	21,900	24,361	46,261
95	2034	22,012	24,249	46,261
96	2034	22,124	24,137	46,261
97	2035	22,237	24,024	46,261
98	2035	22,351	23,910	46,261
99	2035	22,465	23,796	46,261
100	2035	22,579	23,682	46,261
101	2035	22,694	23,567	46,261
102	2035	22,810	23,451	46,261
103	2035	22,926	23,335	46,261
104	2035	23,043	23,218	46,261
105	2035	23,161	23,100	46,261
106	2035	23,279	22,982	46,261
107	2035	23,398	22,863	46,261



Pima Utility Company - Sewer
Amortization Schedule
At Projected Loan Amount

Exhibit 3

108	2035	23,517	22,744	46,261
109	2036	23,637	22,624	46,261
110	2036	23,757	22,504	46,261
111	2036	23,879	22,382	46,261
112	2036	24,000	22,261	46,261
113	2036	24,123	22,138	46,261
114	2036	24,246	22,015	46,261
115	2036	24,370	21,892	46,261
116	2036	24,494	21,767	46,261
117	2036	24,619	21,642	46,261
118	2036	24,744	21,517	46,261
119	2036	24,870	21,391	46,261
120	2036	24,997	21,264	46,261
121	2037	25,125	21,136	46,261
122	2037	25,253	21,008	46,261
123	2037	25,382	20,879	46,261
124	2037	25,511	20,750	46,261
125	2037	25,641	20,620	46,261
126	2037	25,772	20,489	46,261
127	2037	25,903	20,358	46,261
128	2037	26,036	20,225	46,261
129	2037	26,168	20,093	46,261
130	2037	26,302	19,959	46,261
131	2037	26,436	19,825	46,261
132	2037	26,571	19,690	46,261
133	2038	26,706	19,555	46,261
134	2038	26,843	19,419	46,261
135	2038	26,979	19,282	46,261
136	2038	27,117	19,144	46,261
137	2038	27,255	19,006	46,261
138	2038	27,394	18,867	46,261
139	2038	27,534	18,727	46,261
140	2038	27,674	18,587	46,261
141	2038	27,816	18,445	46,261
142	2038	27,957	18,304	46,261
143	2038	28,100	18,161	46,261
144	2038	28,243	18,018	46,261
145	2039	28,387	17,874	46,261



Pima Utility Company - Sewer
 Amortization Schedule
 At Projected Loan Amount

Exhibit 3

146	2039	28,532	17,729	46,261
147	2039	28,678	17,583	46,261
148	2039	28,824	17,437	46,261
149	2039	28,971	17,290	46,261
150	2039	29,119	17,142	46,261
151	2039	29,267	16,994	46,261
152	2039	29,416	16,845	46,261
153	2039	29,566	16,695	46,261
154	2039	29,717	16,544	46,261
155	2039	29,869	16,392	46,261
156	2039	30,021	16,240	46,261
157	2040	30,174	16,087	46,261
158	2040	30,328	15,933	46,261
159	2040	30,483	15,778	46,261
160	2040	30,638	15,623	46,261
161	2040	30,795	15,467	46,261
162	2040	30,952	15,309	46,261
163	2040	31,109	15,152	46,261
164	2040	31,268	14,993	46,261
165	2040	31,428	14,833	46,261
166	2040	31,588	14,673	46,261
167	2040	31,749	14,512	46,261
168	2040	31,911	14,350	46,261
169	2041	32,074	14,187	46,261
170	2041	32,237	14,024	46,261
171	2041	32,402	13,859	46,261
172	2041	32,567	13,694	46,261
173	2041	32,733	13,528	46,261
174	2041	32,900	13,361	46,261
175	2041	33,068	13,193	46,261
176	2041	33,236	13,025	46,261
177	2041	33,406	12,855	46,261
178	2041	33,576	12,685	46,261
179	2041	33,747	12,514	46,261
180	2041	33,920	12,342	46,261
181	2042	34,093	12,169	46,261
182	2042	34,266	11,995	46,261
183	2042	34,441	11,820	46,261



Pima Utility Company - Sewer
Amortization Schedule
At Projected Loan Amount

Exhibit 3

184	2042	34,617	11,644	46,261
185	2042	34,793	11,468	46,261
186	2042	34,971	11,290	46,261
187	2042	35,149	11,112	46,261
188	2042	35,328	10,933	46,261
189	2042	35,509	10,752	46,261
190	2042	35,690	10,571	46,261
191	2042	35,872	10,389	46,261
192	2042	36,055	10,206	46,261
193	2043	36,239	10,023	46,261
194	2043	36,423	9,838	46,261
195	2043	36,609	9,652	46,261
196	2043	36,796	9,465	46,261
197	2043	36,983	9,278	46,261
198	2043	37,172	9,089	46,261
199	2043	37,362	8,899	46,261
200	2043	37,552	8,709	46,261
201	2043	37,744	8,517	46,261
202	2043	37,936	8,325	46,261
203	2043	38,130	8,131	46,261
204	2043	38,324	7,937	46,261
205	2044	38,520	7,741	46,261
206	2044	38,716	7,545	46,261
207	2044	38,913	7,348	46,261
208	2044	39,112	7,149	46,261
209	2044	39,311	6,950	46,261
210	2044	39,512	6,749	46,261
211	2044	39,713	6,548	46,261
212	2044	39,916	6,345	46,261
213	2044	40,120	6,142	46,261
214	2044	40,324	5,937	46,261
215	2044	40,530	5,731	46,261
216	2044	40,736	5,525	46,261
217	2045	40,944	5,317	46,261
218	2045	41,153	5,108	46,261
219	2045	41,363	4,898	46,261
220	2045	41,574	4,687	46,261
221	2045	41,786	4,475	46,261



Pima Utility Company - Sewer

Amortization Schedule

At Projected Loan Amount

Exhibit 3

222	2045	41,999	4,262	46,261
223	2045	42,213	4,048	46,261
224	2045	42,429	3,833	46,261
225	2045	42,645	3,616	46,261
226	2045	42,862	3,399	46,261
227	2045	43,081	3,180	46,261
228	2045	43,301	2,960	46,261
229	2046	43,522	2,740	46,261
230	2046	43,743	2,518	46,261
231	2046	43,967	2,294	46,261
232	2046	44,191	2,070	46,261
233	2046	44,416	1,845	46,261
234	2046	44,643	1,618	46,261
235	2046	44,870	1,391	46,261
236	2046	45,099	1,162	46,261
237	2046	45,329	932	46,261
238	2046	45,560	701	46,261
239	2046	45,793	468	46,261
240	2046	46,026	235	46,261

Pima Financing Application

EXHIBIT 4

**CERTIFIED RESOLUTIONS OF THE BOARD OF DIRECTORS
OF PIMA UTILITY COMPANY**

Jason Williamson, the Chief Executive Officer of Pima Utility Company (“Pima” or “Company”), a corporation duly organized under the laws of the State of Arizona, hereby certifies that the following resolutions of the Board of Directors of Pima were adopted by the sole member of the Board of Directors by written consent, dated January 30, 2026, that such resolutions have not been amended, altered or repealed, and that such resolutions remain in full force and effect on the date hereof:

Financing Application to Arizona Corporation Commission

RESOLVED, that Pima is authorized to apply to the Arizona Corporation Commission (“Commission”) to obtain approval of the financing for the Company’s sewer system contemplated in the Company’s Application (Financing) (“Application”), in an amount necessary to rebalance the Company’s current capital structure of 100% equity to a capital structure of 65% equity and 35% debt and for financing capital expenditures and/or general corporate purposes.

FURTHER RESOLVED, that Pima may obtain financing in an amount not to exceed \$7,500,000, at a fixed rate based on the 20-year US Treasury rate plus 150-basis points (“Debt”).

FURTHER RESOLVED, that the Debt will be fully amortized over, up to, 240 equal monthly installments, on a mortgage style basis.

FURTHER RESOLVED, that Pima’s officers, agents, and attorneys are authorized to prepare and submit all proper filings and disclosures and seek and obtain any and all necessary approvals in connection with the processing of the Application.

Incurring of the Debt

RESOLVED, that Pima, upon receipt of approval from the Commission, incur the Debt.

FURTHER RESOLVED, that the Debt shall be upon such terms and conditions as comply with the order of the Commission and that are approved by Jason Williamson, as Chief Executive Officer of Pima, and that upon such approval, Jason Williamson be, and thereby is, authorized and directed to execute such promissory notes, security instruments and/or other evidence of the Debt, and related documents, as deemed reasonable and appropriate.

General

RESOLVED, that Jason Williamson and Shapiro Law Firm, P.C. by and through Jay Shapiro, each be and hereby are, authorized to represent Pima in all matters before the Commission.

FURTHER RESOLVED, that Jason Williamson be, and thereby is, authorized and directed to take such further actions as may be necessary or advisable to carry out the intent of these resolutions.

Signed by:

Jason Williamson

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Jason Williamson, Chief Executive Officer