

ANNUAL REPORT

Of

Company Name: **BN Leasing Corporation DBA Aubrey Water Company**
2301 Lou Menk Dr.

Mailing Address: Ft. Worth TX
76131

Docket No.: W-03476A
For the Year Ended: 12/31/19

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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: **Original Filing**

Application Date: 4/13/2020

ARIZONA CORPORATION COMMISSION
 WATER UTILITY ANNUAL REPORT
 BN Leasing Corporation DBA Aubrey Water Company
 A Class Utility

For the Calendar Year Ended: 12/31/19

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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	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.

	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.

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	0	0	0	0	0	0
304	Structures and Improvements	125,577	0	0	125,577	51,948	73,629
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	31,300	0	0	31,300	21,609	9,691
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	116,664	0	0	116,664	55,415	61,249
311	Pumping Equipment	389,281	0	0	389,281	289,454	99,827
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	4,872	0	0	4,872	4,872	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	304,347	0	0	304,347	27,976	276,371
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	677,112	0	0	677,112	125,501	551,611
333	Services	26,062	0	0	26,062	6,745	19,317
334	Meters and Meter Installations	84,991	9,132	0	94,123	42,792	51,331
335	Hydrants	3,162	0	0	3,162	394	2,768
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	2,906	0	0	2,906	1,525	1,381
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	3,375	0	0	3,375	2,869	506
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,769,649	\$9,132	\$0	\$1,778,781	\$631,100	\$1,147,681

BN Leasing Corporation DBA Aubrey Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/19

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	0.00%	\$0
302	Franchises	0	0	0	0		0	0.00%	0
303	Land and Land Rights	0	0	0	0		0	0.00%	0
304	Structures and Improvements	125,577	0	0	125,577		125,577	3.33%	4,182
305	Collecting & Improving Reservoirs	0	0	0	0		0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0		0	0.00%	0
307	Wells and Springs	31,300	0	0	31,300		31,300	3.33%	1,042
308	Infiltration Galleries	0	0	0	0		0	0.00%	0
309	Supply Mains	0	0	0	0		0	0.00%	0
310	Power Generation Equipment	116,664	0	0	116,664		116,664	5.00%	5,833
311	Pumping Equipment	389,281	0	0	389,281		389,281	8.00%	31,142
320	Water Treatment Equipment	0	0	0	0		0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0		0	3.33%	0
320.2	Solution Chemical Feeders	4,872	0	0	4,872	4,872	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0		0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0		0	0.00%	0
330.1	Storage Tanks	304,347	0	0	304,347		304,347	2.22%	6,757
330.2	Pressure Tanks	0	0	0	0		0	0.00%	0
331	Transmission and Distribution Mains	677,112	0	0	677,112		677,112	2.00%	13,542
333	Services	26,062	0	0	26,062		26,062	3.33%	868
334	Meters and Meter Installations	84,991	9,132	0	94,123		94,123	8.33%	7,460
335	Hydrants	3,162	0	0	3,162		3,162	2.00%	63
336	Backflow Prevention Devices	0	0	0	0		0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0		0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0		0	0.00%	0
340.1	Computer & Software	0	0	0	0		0	0.00%	0
341	Transportation Equipment	0	0	0	0		0	0.00%	0
342	Stores Equipment	0	0	0	0		0	0.00%	0
343	Tools, Shop and Garage Equipment	2,906	0	0	2,906		2,906	5.00%	145
344	Laboratory Equipment	0	0	0	0		0	0.00%	0
345	Power Operated Equipment	0	0	0	0		0	0.00%	0
346	Communication Equipment	0	0	0	0		0	0.00%	0
347	Miscellaneous Equipment	3,375	0	0	3,375		3,375	10.00%	338
348	Other Tangible Plant	0	0	0	0		0	0.00%	0
	Subtotal	\$1,769,649	\$9,132	\$0	\$1,778,781	\$4,872	\$1,773,909		\$71,372

Contribution(s) in Aid of Construction (Gross)

Less: Non Amortizable Contribution(s)

Fully Amortized Contribution(s)

Amortizable Contribution(s)

\$6,046

Times: Proposed Amortization Rate

4.02%

Amortization of CIAC

\$243

Less: Amortization of CIAC \$243

DEPRECIATION EXPENSE \$71,129

BN Leasing Corporation DBA Aubrey Water Company
Annual Report
Balance Sheet Assets
12/31/19

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current and Accrued Assets			
131	Cash		\$14,988	\$15,235
134	Working Funds		5,000	5,000
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	3,490
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		4,799	2,400
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$24,787	\$26,125
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,769,649	\$1,778,781
103	Property Held for Future Use		0	
105	Construction Work in Progress		0	
108	Accumulated Depreciation (enter as negative)*		(559,728)	(631,100)
121	Non-Utility Property		0	
122	Accumulated Depreciation - Non Utility		0	
	Total Fixed Assets		\$1,209,921	\$1,147,681
	Total Assets		\$1,234,708	\$1,173,806

*Note these items feed automatically from AR3 UPIS Page 4

BN Leasing Corporation DBA Aubrey Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities			
231	Accounts Payable		\$1,023	\$43
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		1,802,179	1,667,169
235	Customer Deposits		11,319	10,201
236	Accrued Taxes		984	1,397
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		9,069	2,358
	Total Current Liabilities		\$1,824,574	\$1,681,168
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Deferred Credits			
251	Unamortized Premium on Debt		\$5,000	\$0
252	Advances in Aid of Construction		0	10,797
255	Accumulated Deferred Investment Tax Credits		6,046	0
271	Contributions in Aid of Construction		(2,105)	\$6,046
272	Less: Amortization of Contributions		0	(2,348)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$8,941	\$14,495
	Total Liabilities		\$1,833,515	\$1,695,663
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		(598,807)	(521,857)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		(\$598,807)	(\$521,857)
	Total Liabilities and Capital		\$1,234,708	\$1,173,806

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

BN Leasing Corporation DBA Aubrey Water Company
Annual Report
Water Comparative Income Statement
12/31/19

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	Operating Revenue		
461	Metered Water Revenue	\$321,446	\$266,677
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue		1,400
	Total Revenues	\$321,446	\$268,077
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	30,004	30,242
618	Chemicals	230	751
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	7,128	14,350
620.2	Office Supplies and Expense	2,890	3,505
630	Contractual Services	70,910	67,013
631	Contractual Services - Engineering		0
632	Contractual Services - Accounting	10,560	6,156
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	20,543	10,320
635	Contractual Services - Water Testing	2,586	1,698
636	Contractual Services - Other	9,440	5,697
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	5,306	5,979
657	Insurance - General Liability	7,101	4,244
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	563
670	Bad Debt Expense	510	520
675	Miscellaneous Expense	866	276
403	Depreciation Expense (From Schedule AR4)	71,129	70,171
408	Taxes Other Than Income	0	0
408.11	Property Taxes	7,802	7,371
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$247,005	\$228,856
	Operating Income / (Loss)	\$74,441	\$39,221
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income	2,794	831
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(285)	(285)
	Total Other Income / (Expense)	\$2,509	\$546
	Net Income / (Loss)	\$76,950	\$39,767

BN Leasing Corporation DBA Aubrey Water Company
 Annual Report
 Full time equivalent employees
 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)				0.0
Meter reader				0.0
Customer Service				0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

BN Leasing Corporation DBA Aubrey Water Company
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/19

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued				
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:

Meter Deposits Refunded During the Test Year:

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: AUBREY WATER CO-SELIGMAN												
ADEQ Public Water System Number				AZ0413010								
ADWR PCC Number:				91-000607,0000								
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	
55-627275	30	150	448	10	Submersible	1947	212	217	4	Metered	Yes	
55-627276	30	150	350	10	Submersible	1947	229	217	4	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	3,350,300	2,071,065	0.00	0.00			(83,702)
February	2,320,000	1,627,030	0.00	0.00			13,599
March	2,987,800	1,982,255	0.00	0.00			13,621
April	2,286,400	1,644,185	0.00	0.00			14,668
May	3,556,600	2,713,840	0.00	0.00			16,767
June	3,259,900	2,616,380	0.00	0.00			21,081
July	5,121,600	4,120,260	0.00	0.00			23,984
August	5,640,400	4,748,245	0.00	0.00			23,602
September	4,810,400	4,007,354	0.00	0.00			(78,252)
October	5,117,900	3,979,930	0.00	0.00			21,611
November	3,520,700	3,221,190	0.00	0.00			16,348
December	4,483,000	2,217,151	0.00	0.00			(83,698)
Totals	46,455,000.00	34,948,885.00	0.00	0.00	0.00	\$0	(80,371)

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

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, constructor 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:	AUBREY WATER CO-SELIGMAN	
ADEQ Public Water System Number:	AZ0413010	
ADWR PCC Number:	91-000607.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2	PVC CL150	3,560
4	PVC CL150	9,600
6	PVC CL150	4,800
2	Galvanized	14,580
6	Cast Iron	15,600
4	PVC CL150	220
6	PVC C900	840
8	Cast Iron	39,375

SERVICE LINES			
Material	Percent of system	Year installed	
Galvanized steel	95%		
PEX	5%		

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	280		
0.75	1		
1	12		
1.5	6		
2	18		
6	3		

BOOSTER PUMPS		
Horsepower	GPM	Quantity
25	390	2
2	33	1

FIRE HYDRANTS	
Type	Quantity
Standard *	22
Other	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
281,480	steel	1	

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
N/A			

* 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:	Sodium hypochlorite solution feed system
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STRUCTURES:	20 foot steel storage container 8' x 12' pump house
--------------------	--

OTHER:	
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Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC

Method used:

Customer and Other Information	
Name of the System:	AUBREY WATER CO-SELIGMAN
ADEQ Public Water System Number:	AZ0413010
ADWR PCC Number:	91-000607.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	213		70		
February	213		70		
March	214		70		
April	215		70		
May	215		70		
June	216		69		
July	217		68		
August	216		68		
September	218		68		
October	217		69		
November	217		69		
December	219		68		

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement?
 If yes, provide the GCPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

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

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

BN Leasing Corporation DBA Aubrey Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	AUBREY WATER CO-SELIGMAN
ADEQ Public Water System Number:	AZ0413010
ADWR PCC Number:	91-000607.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January		0	
February		1	
March		1	
April		3	
May		0	
June		0	
July		0	
August		0	
September		0	
October		1	
November		3	
December		2	
Total	0	11	0

Other (description):

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.

BN Leasing Corporation DBA Aubrey Water Company
Annual Report
Property Taxes
12/31/19

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$8,166

If no property taxes paid, explain why.

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.

BN Leasing Corporation DBA Aubrey Water Company
Annual Report
Verification and Sworn Statement (Taxes)
12/31/19

Verification and Sworn Statement (Taxes)

Verification: State of Texas I, the undersigned of the
(state name)

County of (county name): TARRANT
Name (owner or official) title: Michael D. Gahwiler
Company name: BN Leasing Corporation DBA Aubrey Water Company

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

FOR THE YEAR ENDING: 12/31/19

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: _____

**RECEIVED
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UTILITIES DIVISION

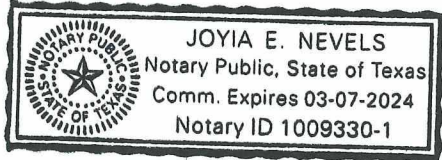
Michael D. Gahwiler
signature of owner/official

817-257-2407
telephone no.

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

THIS 13th DAY OF Tarrant
(month) and (year) 04/2020

MY COMMISSION EXPIRES 03/7/2024
(date)



Joyia E. Nevles
(signature of notary public)

Verification and Sworn Statement

Verification:

State of 0 Texas I, the undersigned of the
(state name)
County of (county name): 0 Tarrant
Name (owner or official) title: 0 Michael D. Gadwiler
Company name: BN Leasing Corporation DBA Aubrey Water Company

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

FOR THE YEAR ENDING: 12/31/19

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.

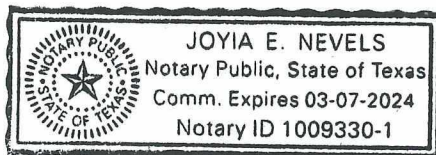
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$342,379
(The amount in the box above includes
\$20,933 in sales taxes
billed or collected)

**RECEIVED
BY EMAIL**
4/14/2020, 11:10 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Michael D. Gadwiler
signature of owner/official
817-702-3107
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Tarrant
(county name)
THIS 13th DAY OF 04/2020
(month) and (year)
MY COMMISSION EXPIRES 03/07/2024
(date)



Joyia E. Nevels
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of 0 TEXAS I, the undersigned of the
(state name)

County of (county name): 0 TARRANT
Name (owner or official) title: 0 Michael D. Gahwiler
Company name: BN Leasing Corporation DBA Aubrey Water Company

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

FOR THE YEAR ENDING: 12/31/19

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 (\$)

\$191,811

(The amount in the box above includes

\$11,727 in sales taxes
billed or collected)

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BY EMAIL**
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

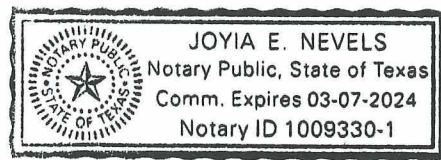
Michael D. Gahwiler
signature of owner/official

817-352-3407
telephone no.

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

THIS 13th DAY OF April, 2020
(month) and (year)

MY COMMISSION EXPIRES 3/7/2024
(date)



Joyia E. Nevels
(signature of notary public)

BN Leasing Corporation DBA Aubrey Water Company
Annual Report
Full Gross-up Method for Income Tax Statement of Certification
12/31/19

Full Gross-up Method for Income Tax Statement of Certification

Verification:

State of 0 TEXAS I, the undersigned of the
(state name)

County of (county name): 0 TARRANT
Name (owner or official) title: 0 Michael D. Gehwiler
Company name: BN Leasing Corporation DBA Aubrey Water Company

FOR THE YEAR ENDING: 12/31/19

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 NOT INCURRED NOR 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.

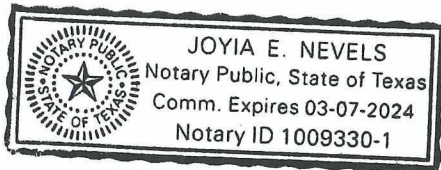
**RECEIVED
BY EMAIL**
4/14/2020, 11:10 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Michael D. Gehwiler
signature of owner/official
817-252-3407
telephone no.

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

THIS 13th DAY OF April, 2020
(month) and (year)

MY COMMISSION EXPIRES 3/7/2024
(date)



Joyia E. Nevels
(signature of notary public)