

**ANNUAL REPORT**

Of

Company Name:   
7313 E. Concho Dr., Ste. B

Mailing Address: Kingman AZ  
86401

Docket No.: W-02391A  
For the Year Ended:

**RECEIVED  
BY EMAIL**

6/15/2020 10:38 AM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdlafuente@azcc.gov](mailto:rdlafuente@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  
Cerbat Water Company  
A Class  Utility

For the Calendar Year Ended: 12/31/19

Primary Address: 

Cerbat Water Company			
City:	Kingman	State:	Arizona
		Zip Code:	86401

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**

	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.
	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.
	No

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
302	Franchises				0		0
303	Land and Land Rights	4,500			4,500		4,500
304	Structures and Improvements	28,375			28,375	5,679	22,696
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	94,071			94,071	18,795	75,276
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	68,584			68,584	68,584	0
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes	135,220			135,220	125,059	10,161
330.1	Storage Tanks				0		0
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	552,551			552,551	544,181	8,370
333	Services	57,228			57,228	37,270	19,958
334	Meters and Meter Installations	21,183			21,183	21,183	0
335	Hydrants	14,400			14,400	7,900	6,500
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment				0		0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment	2,300			2,300	2,070	230
348	Other Tangible Plant				0		0
	<b>Totals</b>	<b>\$978,412</b>	<b>\$0</b>	<b>\$0</b>	<b>\$978,412</b>	<b>\$830,721</b>	<b>\$147,691</b>

Cerbat 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
302	Franchises	0	0	0	0		0		0
303	Land and Land Rights	4,500	0	0	4,500		4,500		0
304	Structures and Improvements	28,375	0	0	28,375		28,375	3.33%	945
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	94,071	0	0	94,071		94,071	3.33%	3,133
308	Infiltration Galleries	0	0	0	0		0		0
309	Supply Mains	0	0	0	0		0		0
310	Power Generation Equipment	0	0	0	0		0		0
311	Pumping Equipment	68,584	0	0	68,584		68,584		0
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	0	0	0	0		0		0
320.3	Point-of-Use Treatment Devices	0	0	0	0		0		0
330	Distribution Reservoirs and Standpipes	135,220	0	0	135,220		135,220	2.23%	3,015
330.1	Storage Tanks	0	0	0	0		0		0
330.2	Pressure Tanks	0	0	0	0		0		0
331	Transmission and Distribution Mains	552,551	0	0	552,551		552,551	0.05%	276
333	Services	57,228	0	0	57,228		57,228	3.33%	1,906
334	Meters and Meter Installations	21,183	0	0	21,183		21,183	0.00%	0
335	Hydrants	14,400	0	0	14,400		14,400	2.00%	288
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	0	0	0	0		0		0
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	2,300	0	0	2,300		2,300	10.00%	230
348	Other Tangible Plant	0	0	0	0		0		0
	<b>Subtotal</b>	<b>\$978,412</b>	<b>\$0</b>	<b>\$0</b>	<b>\$978,412</b>	<b>\$0</b>	<b>\$978,412</b>		<b>\$9,793</b>

Contribution(s) in Aid of Construction (Gross)

Less: Non Amortizable Contribution(s)

Fully Amortized Contribution(s)

Amortizable Contribution(s)

Times: Proposed Amortization Rate

Amortization of CIAC

\$0

1.00%

\$0

Less: Amortization of CIAC

**DEPRECIATION EXPENSE**

Cerbat 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.	<b>Current and Accrued Assets</b>			
131	Cash		\$12,036	\$1,888
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		16,030	2,780
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		25,019	25,019
	<b>Total Current and Accrued Assets</b>		<b>\$53,085</b>	<b>\$29,687</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$978,412	\$978,412
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(820,779)	(830,748)
121	Non-Utility Property		96,211	96,211
122	Accumulated Depreciation - Non Utility		(79,630)	(85,430)
	<b>Total Fixed Assets</b>		<b>\$174,214</b>	<b>\$158,445</b>
	<b>Total Assets</b>		<b>\$227,299</b>	<b>\$188,132</b>

\*Note these items feed automatically from AR3 UPIS Page 4

Cerbat Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		<b>Balance at Beginning of Year (2019)</b>	<b>Balance at End of Year (2019)</b>
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$47,980	\$42,332
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies		380,420	380,420
235	Customer Deposits			
236	Accrued Taxes		18,109	75,041
237	Accrued Interest			8,350
242	Miscellaneous Current and Accrued Liabilities			937
	<b>Total Current Liabilities</b>		<b>\$446,509</b>	<b>\$507,080</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$291,202	\$257,867
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		347,404	347,404
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		196,718	196,718
272	Less: Amortization of Contributions		(196,718)	(196,718)
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$347,404</b>	<b>\$347,404</b>
	<b>Total Liabilites</b>		<b>\$1,085,115</b>	<b>\$1,112,351</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$204,341	\$204,341
211	Other Paid-In Capital			
215	Retained Earnings		(1,076,317)	(1,062,334)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>(\$857,816)</b>	<b>(\$924,219)</b>
	<b>Total Liabilities and Capital</b>		<b>\$227,299</b>	<b>\$188,132</b>

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

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$203,470	\$235,569
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues	17,745	
474	Other Water Revenue		
	<b>Total Revenues</b>	<b>\$221,215</b>	<b>\$235,569</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$66,413	\$69,914
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	24,792	29,335
618	Chemicals	35	33
620	Materials and Supplies	772	2,229
620.1	Repairs and Maintenance	12,847	2,055
620.2	Office Supplies and Expense	12,306	6,136
630	Contractual Services		
631	Contractual Services - Engineering		1,515
632	Contractual Services - Accounting	2,630	5,633
633	Contractual Services - Legal	9,412	18,570
634	Contractual Services - Management Fees	21,660	15,162
635	Contractual Services - Water Testing	490	1,100
636	Contractual Services - Other		3,000
640	Rents		
641	Rental of Building/Real Property	1,825	1,825
642	Rental of Equipment		
650	Transportation Expenses	7,781	7,639
657	Insurance - General Liability	2,610	1,966
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	1,741	3,132
670	Bad Debt Expense		
675	Miscellaneous Expense	872	599
403	Depreciation Expense (From Schedule AR4)	9,793	18,251
408	Taxes Other Than Income	11,446	14,669
408.11	Property Taxes	70,273	0
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	<b>Total Operating Expenses</b>	<b>\$257,698</b>	<b>\$202,763</b>
	<b>Operating Income / (Loss)</b>	<b>(\$36,483)</b>	<b>\$32,806</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)	(5,800)	(5,900)
427	Interest (Expense)	(23,943)	(12,737)
	<b>Total Other Income / (Expense)</b>	<b>(\$29,743)</b>	<b>(\$18,637)</b>
	<b>Net Income / (Loss)</b>	<b>(\$66,226)</b>	<b>\$14,169</b>



**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President	0.0			0.0
Vice-president	0.0			0.0
Manager	0.0		1.0	1.0
Engineering Staff	0.0			0.0
System Operator(s)	2.0			2.0
Meter reader	1.0			1.0
Customer Service	1.0			1.0
Accounting	0.0		1.0	1.0
Business Office	1.0			1.0
Rates Department	0.0			0.0
Administrative Staff	0.0			0.0
Other				0.0
<b>Total</b>	5.0	0.0	2.0	7.0

Cerbat 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	4/2/2012			
Source of Loan	WIFA			
ACC Decision No.	#72739			
Reason for Loan	New Well			
Dollar Amt. Issued	\$331,875			
Amount Outstanding				
Date of Maturity	4/1/2032			
Interest Rate	4.20%			
Current Year Interest	\$2,870			
Current Year Principal	\$14,562			

Meter Deposit Balance at Test Year End:	\$2,895
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Meter Deposits Refunded During the Test Year:	\$1,210
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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:											
ADEQ Public Water System Number:											
ADWR PCC Number:											
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
55-62-4996	20	120	1,100	16	Submersible	1987	704	700	2	Metered	Yes
55-20-4098	20	120	984	8	Submersible	2012	704	700	2	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) <sup>1</sup>	Water sold (gallons) <sup>2</sup>	Water delivered (sold) to other systems (gallons) <sup>3</sup>	Water received (purchased) from other systems (gallons) <sup>4</sup>	Estimated authorized use (gallons) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	1,534,715.00	1,413,181.00					
February	1,274,419.00	1,177,836.00					
March	1,244,337.00	1,146,854.00					
April	1,811,050.00	1,664,568.00					
May	2,289,677.00	2,102,550.00					
June	2,388,512.00	2,191,295.00					
July	2,999,774.00	2,739,520.00					
August	3,128,208.00	2,859,422.00					
September	2,882,354.00	2,579,848.00					
October	2,279,789.00	2,089,632.00					
November	1,866,820.00	1,714,252.00					
December	1,582,654.00	1,458,668.00					
<b>Totals</b>	<b>25,282,309.00</b>	<b>23,137,626.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$0</b>	<b>0</b>

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, 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:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	1,200
6.00	PVC	23,915
8.00	PVC	30,909
10.00	PVC	5,912

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
0.75	316		
1	7		

SERVICE LINES		
Material	Percent of system	Year installed
HDPE	50%	1994
PVC	5000%	1982

BOOSTER PUMPS		
Horsepower	GPM	Quantity
20		2

FIRE HYDRANTS	
Type	Quantity
Standard *	10
Other	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
500,000		1	
100,000		1	

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

\* 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.

<b>Water Utility Plant Description (Continued)</b>
--

For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	
<b>STRUCTURES:</b>	Booster Pump House
<b>OTHER:</b>	

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:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	318				
February	313				
March	313				
April	314				
May	316				
June	317				
July	317				
August	320				
September	321				
October	323				
November	325				
December	323				

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.

Cerbat Water Company  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January		4	
February		4	
March		4	
April		5	
May		5	
June		1	
July		1	
August		0	
September		0	
October		0	
November		0	
December		1	
<b>Total</b>	<b>0</b>	<b>25</b>	<b>0</b>

**Other (description):**

**Instructions:** Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2019 was

\$13,341

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.



RECEIVED  
BY EMAIL

Verification and Sworn Statement (Taxes)

6/15/2020 10:38 AM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

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

County of (county name): Mohave  
Name (owner or official) title: Teresa Neal-Manager  
Company name: Cerbat 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Teresa Neal  
signature of owner/official

702-256-4006  
telephone no.

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

THIS 10<sup>th</sup> DAY OF June 2020  
(month) and (year)

MY COMMISSION EXPIRES June 20, 2021  
(date)



Lynnann Dion  
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Mohave  
Name (owner or official) title: Teresa Neal-Manager  
Company name: Cerbat 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 Intradate Gross Operating Revenues Only (\$)  
\$221,215  
(The amount in the box above includes  
\$14,308 in sales taxes  
billed or collected)

**RECEIVED  
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6/15/2020 10:38 AM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Teresa Neal  
signature of owner/official

702-256-4006  
telephone no.

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

THIS 10th DAY OF June 2020  
(month) and (year)

MY COMMISSION EXPIRES June 20, 2021  
(date)



Lynnann Dion  
(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): Mohave  
Name (owner or official) title: Teresa Neal-Manager  
Company name: Cerbat 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 (\$)

\$221,215

(The amount in the box above includes

\$14,308 in sales taxes  
billed or collected)

**RECEIVED  
BY EMAIL**

6/15/2020 10:38 AM

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Teresa Neal  
signature of owner/official

702-256-4006  
telephone no.

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

Mohave  
(county name)

THIS

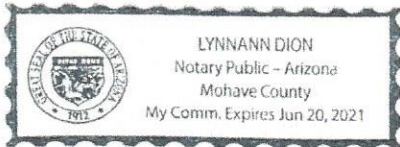
10<sup>th</sup>

DAY OF

June 2020  
(month) and (year)

MY COMMISSION EXPIRES

June 20, 2021  
(date)



Lynnann Dion  
(signature of notary public)

**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): Mohave  
Name (owner or official) title: Teresa Neal-Manager  
Company name: Cerbat 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**

6/15/2020 10:38 AM

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

*Teresa Neal*

signature of owner/official

702-256-4006

telephone no.

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

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(county name)

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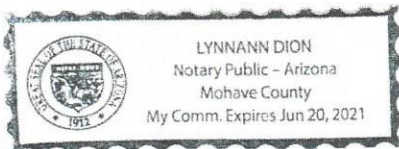
10<sup>th</sup>

DAY OF

June 2020  
(month) and (year)

MY COMMISSION EXPIRES

June 24, 2021  
(date)



*Lynnann Dion*  
(signature of notary public)