

file

ANNUAL REPORT

Of

Company Name:
PO Box 350

Mailing Address: Chino Valley AZ
86323

Docket No.:
For the Year Ended:

RECEIVED
UTILITIES DIVISION
2020 MAY 19 PM 2:42
ARIZONA CORPORATION
COMMISSION

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefafuente@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
Chino Meadows II Water Company
A Class Utility

For the Calendar Year Ended: 12/31/19

Primary Address:

P.O Box 350	State: AZ	Zip Code: 86323
City: Chino Valley		

Telephone Number: 928-717-2616

Date of Original Organization of Utility: 4/4/1979

Person to whom correspondence should be addressed concerning this report:

Name: Sara Pena
Telephone No. : 928-717-2616
Address: P.O Box 350
City: Chino Valley State: AZ Zip Code: 86323
Email: sara@leviegroupp.com

Name: Paul Levie
Telephone No. : 928-717-2616
Address: P.O Box 350
City: Chino Valley State: AZ Zip Code: 86323
Email: Sara@leviegroupp.com

Name: Dewey Levie
Telephone No. : 928-717-2616
Address: P.O Box 350
City: Chino Valley State: AZ Zip Code: 86323
Email: djl@levichomes.com

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership: "C" Corporatio

Counties Served: Yvaapai

Important changes during the year

<input type="checkbox"/>	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
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<input type="checkbox"/>	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
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Chino Meadows II Water Company
 Annual Report
 Utility Plant in Service (Water)
 12/31/19

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)
		\$6,843	\$0	\$0	\$6,843	\$6,507	\$336
301	Organization	0	0	0	0	0	0
302	Franchises	15,204	0	0	15,204	0	15,204
303	Land and Land Rights	44,339	0	0	44,339	44,087	252
304	Structures and Improvements	4,350	0	0	4,350	3,758	591
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	27,987	0	0	27,987	27,987	0
307	Wells and Springs	0	0	0	0	0	0
308	Infiltration Galleries	1,009	0	0	1,009	896	113
309	Supply Mains	31,758	10,621	0	42,378	6,726	35,653
310	Power Generation Equipment	64,351	17,803	0	82,154	55,833	26,321
311	Pumping Equipment	0	0	0	0	0	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	6,915	0	0	6,915	6,915	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	36,415	0	0	36,415	36,415	0
330.1	Storage Tanks	15,269	0	0	15,269	15,269	0
330.2	Pressure Tanks	304,942	0	0	304,942	243,078	61,864
331	Transmission and Distribution Mains	31,198	955	0	32,153	28,289	3,863
333	Services	95,753	6,090	1,334	100,509	90,451	10,058
334	Meters and Meter Installations	12,042	0	0	12,042	10,374	1,667
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	16,728	0	0	16,728	15,770	958
339	Other Plant and Misc. Equipment	6,534	0	0	6,534	1,361	5,173
340	Office Furniture and Equipment	10,820	8,999	0	19,819	11,720	8,100
340.1	Computer & Software	70,352	0	0	70,352	64,997	5,355
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	6,992	0	0	6,992	1,705	5,286
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	31,621	0	0	31,621	23,048	8,573
345	Power Operated Equipment	17,200	0	0	17,200	17,200	0
346	Communication Equipment	3,975	0	0	3,975	2,981	994
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$862,595	\$44,468	\$1,334	\$905,729	\$715,367	\$190,361

Chino Meadows II 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
		\$6,843	\$0	\$0	\$6,843	\$6,843	\$0	0.00%	\$0
301	Organization	0	0	0	0	0	0	0.00%	0
302	Franchises	15,204	0	0	15,204	0	15,204	0.00%	0
303	Land and Land Rights	44,339	0	0	44,339	0	44,339	3.33%	1,476
304	Structures and Improvements	4,350	0	0	4,350	0	4,350	2.50%	109
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	27,987	0	0	27,987	27,987	0	3.33%	0
307	Wells and Springs	0	0	0	0	0	0	0.00%	0
308	Infiltration Galleries	1,009	0	0	1,009	0	1,009	2.00%	20
309	Supply Mains	31,758	10,621	0	42,378	0	42,378	5.00%	1,853
310	Power Generation Equipment	64,351	17,803	0	82,154	46,268	35,886	12.50%	3,373
311	Pumping Equipment	0	0	0	0	0	0	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	0	3.33%	0
320.1	Water Treatment Plants	0	0	0	0	6,916	(6,916)	20.00%	(1,383)
320.2	Solution Chemical Feeders	6,915	0	0	6,915	0	6,915	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	36,415	0	0	36,415	36,415	0	2.22%	0
330.1	Storage Tanks	15,269	0	0	15,269	15,269	0	5.00%	0
330.2	Pressure Tanks	304,942	0	0	304,942	167,988	136,954	2.00%	2,739
331	Transmission and Distribution Mains	31,198	955	0	32,153	7,181	24,972	3.33%	816
333	Services	95,753	6,090	1,334	100,509	90,680	9,829	8.33%	621
334	Meters and Meter Installations	12,042	0	0	12,042	0	12,042	2.00%	241
335	Hydrants	0	0	0	0	0	0	6.67%	0
336	Backflow Prevention Devices	16,728	0	0	16,728	1,305	15,423	6.67%	1,029
339	Other Plant and Misc. Equipment	6,534	0	0	6,534	0	6,534	6.67%	436
340	Office Furniture and Equipment	10,820	8,999	0	19,819	10,820	8,999	20.00%	900
340.1	Computer & Software	70,352	0	0	70,352	62,702	7,650	20.00%	1,530
341	Transportation Equipment	0	0	0	0	0	0	4.00%	0
342	Stores Equipment	6,992	0	0	6,992	0	6,992	5.00%	350
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	10.00%	0
344	Laboratory Equipment	31,621	0	0	31,621	18,377	13,244	5.00%	662
345	Power Operated Equipment	17,200	0	0	17,200	0	17,200	10.00%	1,720
346	Communication Equipment	3,975	0	0	3,975	17,200	(13,225)	10.00%	(1,323)
347	Miscellaneous Equipment	0	0	0	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$862,595	\$44,468	\$1,334	\$905,729	\$515,950	\$389,778		\$15,169

Contribution(s) in Aid of Construction (Gross)	\$19,188
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$19,188</u>
Times: Proposed Amortization Rate	4.47%
Amortization of CIAC	\$1,681

Less: Amortization of CIAC \$1,681

DEPRECIATION EXPENSE **\$13,487**

Chino Meadows II 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			
			\$67,954	\$76,608
131	Cash		0	0
134	Working Funds		0	0
135	Temporary Cash Investments		73,451	74,274
141	Customer Accounts Receivable		5,578	5,768
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		4,361	0
174	Miscellaneous Current and Accrued Assets		\$151,344	\$156,650
	Total Current and Accrued Assets			
Account No.	Fixed Assets			
			\$862,595	\$905,729
101	Utility Plant in Service*		0	0
103	Property Held for Future Use		0	0
105	Construction Work in Progress		(699,275)	(715,367)
108	Accumulated Depreciation (enter as negative)*		1,847	1,847
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		\$165,167	\$192,208
	Total Fixed Assets		\$316,511	\$348,858
	Total Assets			

*Note these items feed automatically from AR3 UPIS Page 4

Chino Meadows II 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		\$56	\$450
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		16,546	22,558
236	Accrued Taxes		5,523	(27)
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		7,214	9,339
	Total Current Liabilities		\$29,339	\$32,321
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		(4,137)	(4,137)
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		34,020	34,020
272	Less: Amortization of Contributions		(1,420)	(3,102)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$28,462	\$26,781
	Total Liabilities		\$57,801	\$59,102
	Capital Accounts			
201	Common Stock Issued		\$8,597	\$8,597
211	Other Paid-In Capital		106,775	106,775
215	Retained Earnings		186,440	217,486
218	Proprietary Capital (Sole Props and Partnerships)		(43,102)	(43,102)
	Total Capital		\$258,710	\$289,756
	Total Liabilities and Capital		\$316,511	\$348,858

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

Chino Meadows II 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	\$392,974	\$383,447
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	11,455	10,564
	Total Revenues	\$404,430	\$394,011
	Operating Expenses		
601	Salaries and Wages	\$176,682	\$135,318
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	22,631	24,887
618	Chemicals	514	966
620	Materials and Supplies	11,758	10,066
620.1	Repairs and Maintenance	1,086	3,199
620.2	Office Supplies and Expense	33,776	25,195
630	Contractual Services	4,962	4,875
631	Contractual Services - Engineering	3,100	2,979
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	4,266	3,757
636	Contractual Services - Other	12,187	9,814
640	Rents	0	0
641	Rental of Building/Real Property	13,175	13,175
642	Rental of Equipment	1,725	1,304
650	Transportation Expenses	20,704	10,632
657	Insurance - General Liability	7,349	8,772
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	420	1,079
670	Bad Debt Expense	3,366	5,430
675	Miscellaneous Expense	10,596	9,215
403	Depreciation Expense (From Schedule AR4)	13,487	16,288
408	Taxes Other Than Income	0	2,442
408.11	Property Taxes	14,965	15,201
409	Income Taxes	4,176	13,398
427.1	Customer Security Deposit Interest	44	88
	Total Operating Expenses	\$360,968	\$318,077
	Operating Income / (Loss)	\$43,461	\$75,934
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	\$43,461	\$75,934

Chino Meadows II Water Company
 Annual Report
 Full time equivalent employees
 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.4	0.0	0.0	0.4
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	1.9	0.0	0.0	1.9
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	1.8	0.0	0.0	1.8
Other	0.0	0.0	0.0	0.0
Total	4.1	0.0	0.0	4.1

Chino Meadows II 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	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	\$7,290
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Meter Deposits Refunded During the Test Year:	\$12,060
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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.

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	(2) Chlorination Pump Systems
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STRUCTURES:	<table style="width: 100%; border: none;"> <tr> <td style="width: 20%;">(1) Shop Building Quonset Hut'Metal Building 26'x38'</td> <td style="width: 20%;">(2) Well House Structures; Wood 8'x8' and 6'x15'</td> <td style="width: 20%;">(1) Application Shed: Wood 8'x8'</td> <td style="width: 20%;">(2) Pump/Pressure Tank Buildings Wood 10'x12' and Block 16'x20'</td> <td style="width: 20%;">(1) Storage Building; Block 20'x20'</td> </tr> </table>	(1) Shop Building Quonset Hut'Metal Building 26'x38'	(2) Well House Structures; Wood 8'x8' and 6'x15'	(1) Application Shed: Wood 8'x8'	(2) Pump/Pressure Tank Buildings Wood 10'x12' and Block 16'x20'	(1) Storage Building; Block 20'x20'
(1) Shop Building Quonset Hut'Metal Building 26'x38'	(2) Well House Structures; Wood 8'x8' and 6'x15'	(1) Application Shed: Wood 8'x8'	(2) Pump/Pressure Tank Buildings Wood 10'x12' and Block 16'x20'	(1) Storage Building; Block 20'x20'		

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

78

 Method used:

(b)

Customer and Other Information	
Name of the System:	Chino Meadows II
ADEQ Public Water System Number:	AZ04-13-079
ADWR PCC Number:	#N/A

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	941	0	0	0	0
February	940	0	0	0	0
March	951	0	0	0	0
April	952	0	0	0	0
May	955	0	0	0	0
June	962	0	0	0	0
July	966	0	0	0	0
August	965	0	0	0	0
September	968	0	0	0	0
October	967	0	0	0	0
November	966	0	0	0	0
December	975	0	0	0	0

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

Does the system have chlorination treatment?

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

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

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

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

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

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

Customer and Other Information	
Name of the System:	Chino Meadows II
ADEQ Public Water System Number:	AZ04-13-079
ADWR PCC Number:	#N/A

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	941	0	0	0	0
February	940	0	0	0	0
March	951	0	0	0	0
April	952	0	0	0	0
May	955	0	0	0	0
June	962	0	0	0	0
July	966	0	0	0	0
August	965	0	0	0	0
September	968	0	0	0	0
October	967	0	0	0	0
November	966	0	0	0	0
December	975	0	0	0	0

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

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (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.

Chino Meadows II Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects		
Name of the System:	Chino Meadows II	
ADEQ Public Water System Number:	AZ04-13-079	
ADWR PCC Number:	#N/A	

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	7	
February	0	12	
March	0	13	
April	0	8	
May	0	10	
June	0	11	
July	0	13	
August	0	9	
September	0	13	
October	0	13	
November	0	7	
December	0	0	
Total	0	116	0

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.

Chino Meadows II Water Company
Annual Report
Property Taxes
12/31/19

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$14,965

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.

Verification and Sworn Statement (Taxes)

RECEIVED
UTILITIES DIVISION

2020 MAY 18 P 2:42

ARIZONA CORPORATION
COMMISSION

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

County of (county name):

Yavapai

Name (owner or official) title:

Paul D. Levie

Company name:

Chino Meadows II 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:

Paul Levie

signature of owner/official

928-717-2616

telephone no.

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

THIS

13th

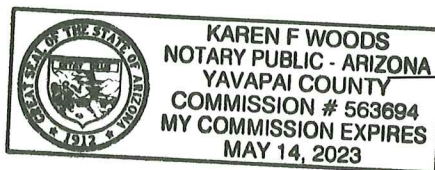
DAY OF

Yavapai
(county name)

May 2020
(month) and (year)

MY COMMISSION EXPIRES

5-14-2023
(date)



Karen F Woods
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Yavapai
Name (owner or official) title: Paul D. Levie
Company name: Chino Meadows II Water Company

RECEIVED
UTILITIES DIVISION

2020 MAY 18 10 2:42

ARIZONA CORPORATION
COMMISSION

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 (\$)

\$404,430

(The amount in the box above includes

\$41,237 in sales taxes
billed or collected)

Paul Levie

signature of owner/official

928-717-2616

telephone no.

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

THIS

13th

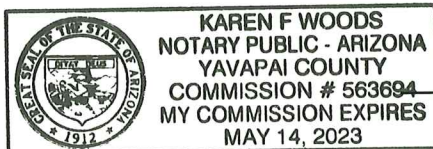
DAY OF

Yavapai
(county name)

May 2020
(month) and (year)

MY COMMISSION EXPIRES

5-14-2023
(date)



Karen F Woods
(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):

Yavapai

Name (owner or official) title:

Paul D. Levie

Company name:

Chino Meadows II Water Company

RECEIVED
UTILITIES DIVISION
2020 MAY 18 P 2 43
ARIZONA CORPORATION
COMMISSION

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 (\$)

\$404,430

(The amount in the box above includes

\$41,237 in sales taxes

billed or collected)

Paul D. Levie

signature of owner/official

928-717-2616

telephone no.

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

Yavapai
(county name)

THIS

13th

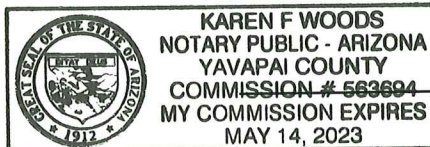
DAY OF

May 2020
(month) and (year)

MY COMMISSION EXPIRES

5-14-2023

(date)



Karen F Woods
(signature of notary public)

Chino Meadows II Water Company
Annual Report
for Income Tax Statement of Certification
12/31/19

for Income Tax Statement of Certification

Verification:

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

County of (county name): Yavapai
Name (owner or official) title: Paul D. Levie
Company name: Chino Meadows II 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 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.

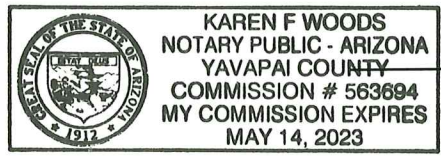
Paul D. Levie
signature of owner/official

928-717-2616
telephone no.

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

THIS 13th DAY OF May 2020
(month) and (year)

MY COMMISSION EXPIRES 5-14-2023
(date)



Karen F Woods
(signature of notary public)