

**ANNUAL REPORT**

Of

Company Name: Desert Valencia Water, Inc.  
10858 N. Sand Canyon Place

Mailing Address: Tucson AZ  
85737

Docket No.: W-20801A  
For the Year Ended: 12/31/19

**RECEIVED  
BY EMAIL**

4/07/2020, 04:10 PM

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: 3/23/20

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Desert Valencia Water, Inc.  
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**

For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?  
No

If yes, please provide specific details in the box below.

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Has the company been notified by any other regulatory authorities during the year, that they are out of compliance? No

If yes, please provide specific details in the box below.

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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	6,400	\$0	\$0	6,400	0	6,400
304	Structures and Improvements	0	\$0	\$0	0	0	0
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	0	\$0	\$0	0	0	0
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	2,671	\$0	\$0	2,671	2,537	134
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	0	\$0	\$0	0	0	0
330.1	Storage Tanks	0	\$0	\$0	0	0	0
330.2	Pressure Tanks	5,783	\$0	\$0	5,783	5,492	291
331	Transmission and Distribution Mains	0	\$0	\$0	0	0	0
333	Services	0	\$0	\$0	0	0	0
334	Meters and Meter Installations	28,139	\$0	\$0	28,139	8,618	19,521
335	Hydrants	0	\$0	\$0	0	0	0
336	Backflow Prevention Devices	0	\$0	\$0	0	0	0
339	Other Plant and Misc. Equipment	22,442	\$0	\$0	22,442	15,714	6,728
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	0	\$0	\$0	0	0	0
348	Other Tangible Plant	7,994	\$0	\$0	7,994	5,494	2,500
	<b>Totals</b>	<b>\$73,429</b>	<b>\$0</b>	<b>\$0</b>	<b>\$73,429</b>	<b>\$37,855</b>	<b>\$35,574</b>

Desert Valencia Water, Inc.  
 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	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,400	0	0	6,400	38,448	0	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	0	0	0	0	0	0	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	2,671	0	0	2,671	0	2,671	10.00%	267
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	5,783	0	0	5,783	0	5,783	10.00%	578
331	Transmission and Distribution Mains	0	0	0	0	0	0	0.00%	0
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	28,139	0	0	28,139	0	28,139	5.00%	1,407
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	22,442	0	0	22,442	0	22,442	6.67%	1,497
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	7,994	0	0	7,994	0	7,994	10.00%	799
	<b>Subtotal</b>	<b>\$73,429</b>	<b>\$0</b>	<b>\$0</b>	<b>\$73,429</b>	<b>\$38,448</b>	<b>\$67,029</b>	<b>-</b>	<b>\$4,549</b>

Contribution(s) in Aid of Construction (Gross) \$0  
 Less: Non Amortizable Contribution(s) 0  
 Fully Amortized Contribution(s) 0  
 Amortizable Contribution(s) \$0  
 Times: Proposed Amortization Rate 6.79%  
**Amortization of CIAC \$0**

Less: Amortization of CIAC \$0  
**DEPRECIATION EXPENSE \$4,549**

Desert Valencia Water, Inc.  
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		\$5,651	\$4,843
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		2,321	2,012
162	Prepayments		3,575	3,738
174	Miscellaneous Current and Accrued Assets			
	<b>Total Current and Accrued Assets</b>		<b>\$11,547</b>	<b>\$10,593</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$73,429	\$73,429
103	Property Held for Future Use		2,554	2,554
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(33,307)	(37,855)
121	Non-Utility Property		2,278	2,278
122	Accumulated Depreciation - Non Utility		(1,519)	(1,670)
	<b>Total Fixed Assets</b>		<b>\$43,435</b>	<b>\$38,736</b>
	<b>Total Assets</b>		<b>\$54,982</b>	<b>\$49,329</b>

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

Desert Valencia Water, Inc.  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	<b>Current Liabilities</b>		0	0
231	Accounts Payable		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	<b>Total Current Liabilities</b>		<b>\$0</b>	<b>\$0</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$0</b>	<b>\$0</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$30,000	\$30,000
211	Other Paid-In Capital			
215	Retained Earnings		24,982	19,329
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>\$54,982</b>	<b>\$49,329</b>
	<b>Total Liabilities and Capital</b>		<b>\$54,982</b>	<b>\$49,329</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	\$3,083	\$2,567
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	0	0
	<b>Total Revenues</b>	<b>\$3,083</b>	<b>\$2,567</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$7,743	\$5,523
604	Employee Pensions and Benefits	0	0
610	Purchased Water	7,150	7,150
615	Purchased Power	1,259	1,239
618	Chemicals	128	443
620	Materials and Supplies	1,076	0
620.1	Repairs and Maintenance	2,352	567
620.2	Office Supplies and Expense	259	205
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	2,240	1,670
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	480	485
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	344	112
657	Insurance - General Liability	609	591
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	264	190
403	Depreciation Expense (From Schedule AR4)	4,549	4,549
408	Taxes Other Than Income	183	193
408.11	Property Taxes	92	102
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$28,728</b>	<b>\$23,019</b>
	<b>Operating Income / (Loss)</b>	<b>(\$25,645)</b>	<b>(\$20,452)</b>
	<b>Other Income / (Expense)</b>		
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
	<b>Total Other Income / (Expense)</b>	<b>\$0</b>	<b>\$0</b>
	<b>Net Income / (Loss)</b>	<b>(\$25,645)</b>	<b>(\$20,452)</b>



Desert Valencia Water, Inc.  
Annual Report  
Full time equivalent employees  
12/31/19

**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
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)	0.0	0.0	0.1	0.1
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	0.1	0.1
Business Office	0.1	0.0	0.0	0.1
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Total</b>	0.1	0.0	0.2	0.3

<b>Supplemental Financial Data (Long-Term Debt)</b>				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	1/0/00	1/0/00	1/0/00	1/0/00
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	1/0/00	1/0/00	1/0/00	1/0/00
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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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**

Name of the System:	Desert Valencia Water, Inc.		
ADEQ Public Water System Number:			N/A
ADWR PCC Number:			N/A

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	3,577
6.00	Cement	2,020
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0
0.00	NA	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	14	14%	0%
0.75	9	67%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	100%	1968	
NA	0%	0	
NA	0%	0	
NA	0%	0	
NA	0%	0	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
1.5	Unknown	1	
0	0	0	
0	0	0	
0	0	0	

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
20,000	Steel	1	Unknown
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
1,000	Steel	1	2010
3,000	Steel	1	Unknown
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

\* 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.

**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. Copy and paste this sheet as many times as is necessary.

<b>Water Utility Plant Description (Continued)</b>
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For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	Sand Filters, Chlorine Treatment
<b>STRUCTURES:</b>	Chain Link fence around water plant, small frame building
<b>OTHER:</b>	Contract to furnish M & I water from the Mohawk canal with Wellton-Mohawk Irrigation and Drainage District for 250 Acre feet per year, 6 Acres of land

**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 days.
- (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 

23
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 Method used: 

(b)
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**Customer and Other Information**

Name of the System:	NA
ADEQ Public Water System Number:	NA
ADWR PCC Number:	NA

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	8	0	0	0	0
February	8	0	0	0	0
March	8	0	0	0	0
April	8	0	0	0	0
May	8	0	0	0	0
June	8	0	0	0	0
July	8	0	0	0	0
August	7	0	0	0	0
September	8	0	0	0	0
October	8	0	0	0	0
November	8	0	0	0	0
December	8	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 (GPCPD) requirement?   
 If yes, provide the GPCPD amount:

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

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

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

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

None Planned

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

Desert Valencia Water, Inc.  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/19

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

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

**Other (description):**

None

**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.

<b>Property Taxes</b>	
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Amount of actual property taxes paid during Calendar Year 2019 was	\$92
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If no property taxes paid, explain why. Property Taxes were paid.
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<b>Instructions:</b> 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.
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Verification and Sworn Statement (Taxes)

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

County of (county name): Pima  
Name (owner or official) title: Scott Wootton - President  
Company name: Desert Valencia Water, Inc.

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  
BY EMAIL**

4/07/2020, 04:10 PM

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Scott Wootton  
signature of owner/official

520-812-7533  
telephone no.

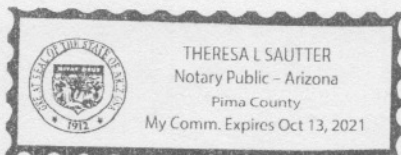
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

THIS 19th DAY OF March  
(month) and (year)

MY COMMISSION EXPIRES

10-13-21  
(date)

Theresa L. Sautter  
(signature of notary public)



Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Pima  
Name (owner or official) title: Scott Wootton - President  
Company name: Desert Valencia Water, Inc.

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 (\$)

3083

(The amount in the box above includes

183 in sales taxes billed or collected)

RECEIVED  
BY EMAIL

4/07/2020, 04:10 PM

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Scott Wootton  
signature of owner/official

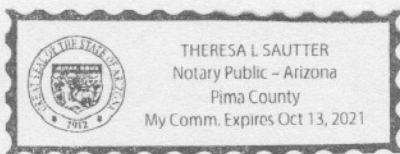
520-812-7533

telephone no.

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

THIS 19th DAY OF Pima March 2020  
(county name) (month) and (year)

MY COMMISSION EXPIRES 10-13-21  
(date)



Theresa L. Sautter  
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Pima  
Name (owner or official) title: Scott Wootton - President  
Company name: Desert Valencia Water, Inc.

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 (\$)

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UTILITIES DIVISION

Scott Wootton  
signature of owner/official

520-812-7533

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

THIS

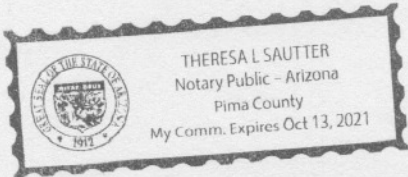
19th

DAY OF

Pima  
(county name)  
March 2020  
(month) and (year)

MY COMMISSION EXPIRES

10-13-21  
(date)



Theresa L. Sautter  
(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): Pima  
Name (owner or official) title: Scott Wootton - President  
Company name: Desert Valencia Water, Inc.

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

4/07/2020, 04:10 PM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Scott Wootton  
signature of owner/official

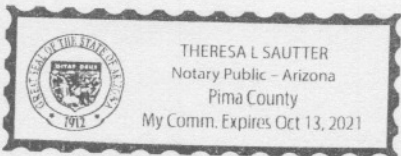
520-812-7533  
telephone no.

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

Pima  
(county name)

THIS 19 DAY OF March 2020  
(month) and (year)

MY COMMISSION EXPIRES 10-13-21  
(date)



Theresa L. Sautter  
(signature of notary public)