

ANNUAL REPORT

Of

Company Name: Golden Shores Water Company, Inc.
PO Box 37

Mailing Address: Topock AZ
86436

Docket No.: W-01815A
For the Year Ended: 12/31/19

**RECEIVED
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5/13/2020, 11:29 AM
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: 4/2/2020

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Golden Shores Water Company, Inc.
A Class A Utility

For the Calendar Year Ended: 12/31/19

Primary Address:

PO Box 37			
City:	Topock	State:	Arizona
Zip Code:	86436		

Telephone Number:

(928) 768-3110

Date of Original Organization of Utility:

9/7/1978

Person to whom correspondence should be addressed concerning this report:

Name:

Mark Sparks

Telephone No. :

(928) 768-3110

Address:

PO Box 37			
City:	Topock	State:	Arizona
Zip Code:	86436		

Email:

goldenshoreswtr@hotmail.com

On-Site Manager

Name:

Mark Sparks

Telephone No. :

(928) 768-3110

Address:

PO Box 37			
City:	Topock	State:	Arizona
Zip Code:	86436		

Email:

goldenshoreswtr@hotmail.com

Management Contact

Name:

Mark Sparks

Telephone No. :

(928) 768-3110

Address:

PO Box 37			
City:	Topock	State:	Arizona
Zip Code:	86436		

Email:

goldenshoreswtr@hotmail.com

NA

Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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NA

Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Ownership:

"C" Corporation

Counties Served:

Mohave

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.

	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. Yes, there was an issue with commercial backflow. This issue HAS BEEN resolved.

Golden Shores Water Company, Inc.
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)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	1,800	0	0	1,800	0	1,800
304	Structures and Improvements	76,230	0	0	76,230	36,551	39,679
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	469,816	0	0	469,816	336,741	133,075
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	1,106	0	0	1,106	205	901
311	Pumping Equipment	146,640	11,073	0	157,713	104,559	53,154
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	78,332	4,722	0	83,054	57,538	25,516
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	605,206	0	0	605,206	516,170	89,036
333	Services	68,397	0	0	68,397	68,397	0
334	Meters and Meter Installations	509,893	171,366	34,255	647,004	248,583	398,421
335	Hydrants	1,971	0	0	1,971	1,929	42
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	18,627	19,744	0	38,371	2,697	35,674
340	Office Furniture and Equipment	13,162	0	0	13,162	12,636	526
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	143,943	0	45,090	98,853	71,308	27,545
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	44,143	39,481	11,473	72,151	8,692	63,459
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	59,050	6,408	0	65,458	55,536	9,922
346	Communication Equipment	1,834	0	0	1,834	1,834	0
347	Miscellaneous Equipment	6,944	1,950	0	8,894	7,303	1,591
348	Other Tangible Plant	27,929	0	0	27,929	27,929	0
	Totals	\$2,275,023	\$254,744	\$90,818	\$2,438,949	\$1,558,608	\$880,341

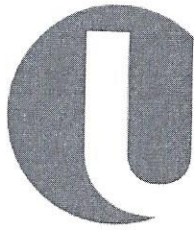
Golden Shores Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/19

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	1,800	0	0	1,800	1,800	0	0.00%	0
304	Structures and Improvements	76,230	0	0	76,230	0	76,230	3.33%	2,538
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.22%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	2.50%	0
307	Wells and Springs	469,816	0	0	469,816	0	469,816	3.33%	15,645
308	Infiltration Galleries	0	0	0	0	0	0	6.67%	0
309	Supply Mains	0	0	0	0	0	0	2.00%	0
310	Power Generation Equipment	1,106	0	0	1,106	0	1,106	5.00%	55
311	Pumping Equipment	146,640	11,073	0	157,713	50,166	107,547	12.50%	12,751
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	20.00%	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	78,332	4,722	0	83,054	0	83,054	2.22%	1,791
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	605,206	0	0	605,206	0	605,206	2.00%	12,104
333	Services	68,397	0	0	68,397	28,305	40,092	3.33%	1,335
334	Meters and Meter Installations	509,893	171,366	34,255	647,004	0	647,004	8.33%	48,185
335	Hydrants	1,971	0	0	1,971	0	1,971	2.00%	39
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	18,627	19,744	0	38,371	0	38,371	6.67%	1,901
340	Office Furniture and Equipment	13,162	0	0	13,162	12,288	874	20.00%	175
340.1	Computer & Software	0	0	0	0	0	0	20.00%	0
341	Transportation Equipment	143,943	0	45,090	98,853	54,103	44,750	20.00%	13,459
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	44,143	39,481	11,473	72,151	0	72,151	5.00%	2,907
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	59,050	6,408	0	65,458	0	65,458	5.00%	3,113
346	Communication Equipment	1,834	0	0	1,834	1,834	0	10.00%	0
347	Miscellaneous Equipment	6,944	1,950	0	8,894	4,329	4,565	10.00%	359
348	Other Tangible Plant	27,929	0	0	27,929	27,929	0	10.00%	0
	Subtotal	\$2,275,023	\$254,744	\$90,818	\$2,438,949	\$180,754	\$2,258,195		\$116,358

Contribution(s) in Aid of Construction (Gross) \$433,374
Less: Non Amortizable Contribution(s) 0
Fully Amortized Contribution(s) 0
Amortizable Contribution(s) \$433,374
Times: Proposed Amortization Rate 5.15%
Amortization of CIAC \$22,331

Less: Amortization of CIAC \$22,331

DEPRECIATION EXPENSE \$94,028



ULLMANN & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

4647 N. 32nd Street, Suite 220 • Phoenix, AZ 85018
Phone (602) 224-0166 • Fax (602) 224-6062 • www.ullmanncpa.com

To the Board of Directors of
Golden Shores Water Company, Inc.
Topock, Arizona

Management is responsible for the accompanying financial statements of Golden Shores Water Company, Inc. (a corporation), which comprise the balance sheets as of December 31, 2019 and 2018, and the related comparative income statements for the years then ended included in the accompanying prescribed form in accordance with the accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

These financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Arizona Corporation Commission, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

The supplementary information contained in pages 2-5 and 9-20 of the prescribed form is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information contained in pages 2, 4-5, 10, and 16-20 was subject to our compilation engagement. We have not audited or reviewed this supplementary information. The supplementary information contained in pages 3, 9, and 11-15 was not subject to our compilation engagement. We do not express an opinion, a conclusion, nor provide any assurance on any supplementary information.

We are not independent with respect to Golden Shores Water Company, Inc., as of and for the years ended December 31, 2019 and 2018, because we performed certain accounting services that impaired our independence.

This report is intended solely for the information and use of Golden Shores Water Company, Inc. and the Arizona Corporation Commission, and is not intended to be and should not be used by anyone other than these specified parties.

Ullmann & Company

ULLMANN & COMPANY, P.C.
Certified Public Accountants

April 7, 2020

Golden Shores Water Company, 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.	Current and Accrued Assets			
131	Cash		\$96,605	\$73,174
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		34,038	30,800
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		86,885	45,770
162	Prepayments		1,899	3,260
174	Miscellaneous Current and Accrued Assets		4,963	9,479
	Total Current and Accrued Assets		\$224,390	\$162,483
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,275,023	\$2,438,949
103	Property Held for Future Use		30,785	30,785
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,533,069)	(1,558,608)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$772,739	\$911,126
	Total Assets		\$997,129	\$1,073,609

*Note these items feed automatically from AR3 UPIS Page 4

Golden Shores Water Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
Account No.	Liabilities		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Current Liabilities				
231	Accounts Payable		\$17,617	\$33,004
232	Notes Payable (Current Portion)		28,104	30,261
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		23,220	23,520
236	Accrued Taxes		52,985	34,728
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		982	1,516
	Total Current Liabilities		\$122,908	\$123,029
Long Term Debt				
224	Long Term Debt (Notes and Bonds)		\$123,884	\$213,478
Deferred Credits				
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		18,082	21,148
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		433,374	433,374
272	Less: Amortization of Contributions		(110,467)	(132,798)
281	Accumulated Deferred Income Tax		34,595	35,008
	Total Deferred Credits		\$375,584	\$356,732
	Total Liabilities		\$622,376	\$693,239
Capital Accounts				
201	Common Stock Issued		\$20,000	\$20,000
211	Other Paid-In Capital		31,155	31,155
215	Retained Earnings		323,598	329,215
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$374,753	\$380,370
	Total Liabilities and Capital		\$997,129	\$1,073,609

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

Golden Shores Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/19

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2019 -	Last Year 01/01/2018 - 12/31/2018
	Operating Revenue		
461	Metered Water Revenue	\$581,633	\$591,417
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	26,744	26,385
471	Miscellaneous Service Revenues	26,951	37,475
474	Other Water Revenue	0	0
	Total Revenues	\$635,328	\$655,277
	Operating Expenses		
601	Salaries and Wages	\$303,404	\$323,582
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	50,036	48,443
618	Chemicals	5,246	5,481
620	Materials and Supplies	3,592	4,817
620.1	Repairs and Maintenance	3,349	11,880
620.2	Office Supplies and Expense	14,168	8,947
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	9,743	12,089
633	Contractual Services - Legal	631	205
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	0	0
636	Contractual Services - Other	6,435	3,701
640	Rents	0	0
641	Rental of Building/Real Property	7,500	7,250
642	Rental of Equipment	0	0
650	Transportation Expenses	15,532	19,326
657	Insurance - General Liability	21,527	9,657
657.1	Insurance - Health and Life	17,329	15,293
665	Regulatory Commission Expense - Rate	1,171	1,277
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	23,166	31,352
403	Depreciation Expense (From Schedule AR4)	94,028	96,660
408	Taxes Other Than Income	23,948	26,775
408.11	Property Taxes	25,550	24,540
409	Income Taxes	1,263	69,531
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$627,618	\$720,806
	Operating Income / (Loss)	\$7,710	(\$65,529)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$173	\$69
421	Non-Utility Income	15,300	0
426	Miscellaneous Non-Utility (Expense)	(7,650)	0
427	Interest (Expense)	(9,916)	(5,904)
	Total Other Income / (Expense)	(\$2,093)	(\$5,835)
	Net Income / (Loss)	\$5,617	(\$71,364)

Golden Shores Water Company, Inc.
 Annual Report
 Full time equivalent employees
 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1			0-0 1
Vice-president	1			0-0 1
Manager				0.0
Engineering Staff				0.0
System Operator(s)	1			0-0 1
Meter reader	1			0-0 1
Customer Service				0.0
Accounting				0.0
Business Office	1			0-0 1
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0-0 5	0.0	0.0	0-0 5

Golden Shores Water Company, Inc.
 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	1/20/2017	7/1/2017	None	None
Source of Loan	Stockholder	WIFA	None	None
ACC Decision No.	None	75830	None	None
Reason for Loan	Plant	Plant	None	None
Dollar Amt. Issued	\$100,000	\$211,446	None	None
Amount Outstanding	\$47,025	\$194,761	None	None
Date of Maturity	2/1/2022	7/1/2037	None	None
Interest Rate	6.00%	5.00%	None	None
Current Year Interest	\$3,469	\$5,040	None	None
Current Year Principal	\$19,731	\$9,327	None	None

Meter Deposit Balance at Test Year End:	\$21,148
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Meter Deposits Refunded During the Test Year:	\$1,734
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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:	N/A
STRUCTURES:	N/A
OTHER:	None

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:

190.71
a

Customer and Other Information	
Name of the System:	GOLDEN SHORES WATER CO
ADEQ Public Water System Number:	AZ0408024
ADWR PCC Number:	91-000319.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	1587	1	34	-	
February	1559	1	34	-	
March	1547	1	34	-	
April	1542	1	34	-	
May	1551	1	34	-	
June	1551	1	34	-	
July	1547	1	34	-	
August	1548	1	33	-	
September	1539	1	33	-	
October	1568	1	33	-	
November	1567	1	33	-	
December	1579	1	32	-	

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.

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

Golden Shores Water Company, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	GOLDEN SHORES WATER CO
ADEQ Public Water System Number:	AZ0408024
ADWR PCC Number:	91-000319.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	7	0
February	0	10	0
March	0	4	0
April	0	6	0
May	0	6	0
June	0	4	0
July	0	5	0
August	0	10	0
September	0	12	0
October	0	5	0
November	0	6	0
December	0	7	0
Total	0	82	0

Other (description):

None

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.

Golden Shores Water Company, Inc.
Annual Report
Property Taxes
12/31/19

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$25,030

If no property taxes paid, explain why.

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.

Verification and Sworn Statement (Taxes)

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

County of (county name): Mohave
Name (owner or official) title: Mark Sparks, Vice-President
Company name: Golden Shores Water Company, 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: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

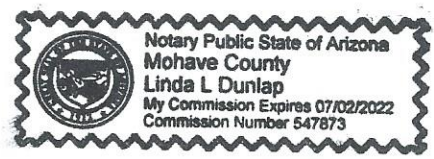
[Signature]
signature of owner/official

(928) 768-3110
telephone no.

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

THIS 29th DAY OF Mohave
(county name)
April 2020
(month) and (year)

MY COMMISSION EXPIRES 07-02-2022
(date)



[Signature]
(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: Mark Sparks, Vice-President
Company name: Golden Shores Water Company, 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 (\$)
\$668,947
(The amount in the box above includes
\$33,619 in sales taxes
billed or collected)

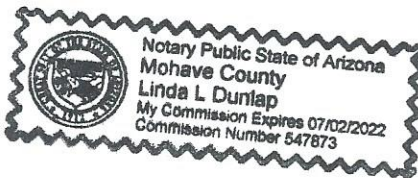
**RECEIVED
BY EMAIL**
5/13/2020, 11:29 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

[Signature]
signature of owner/official
(928) 768-3110
telephone no.

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

THIS 29th DAY OF Mohave
(month) and (year)

MY COMMISSION EXPIRES 07-02-2022
(date)



[Signature]
(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: Mark Sparks, Vice-President
Company name: Golden Shores Water Company, 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 RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$646,738

(The amount in the box above includes
\$32,503 in sales taxes
billed or collected)

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UTILITIES DIVISION

[Signature]
signature of owner/official

(928) 768-3110
telephone no.

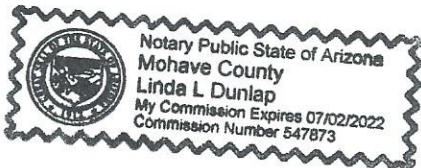
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Mohave
(county name)

THIS 29th DAY OF April 2020
(month) and (year)

MY COMMISSION EXPIRES 7-02-2022
(date)

[Signature]
(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: Mark Sparks, Vice-President
Company name: Golden Shores Water Company, 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.

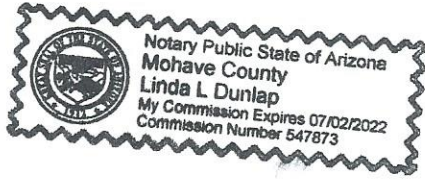
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UTILITIES DIVISION

[Signature]
signature of owner/official
(928) 768-3110
telephone no.

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

THIS 29th DAY OF April 2020
(month) and (year)

MY COMMISSION EXPIRES 07-02-2022
(date)



[Signature]
(signature of notary public)