

Rec

ANNUAL REPORT

Of

Company Name: Granite Mountain Water Company
PO Box 350

Mailing Address: Chino Valley AZ
86323

Docket No.: W-02467A
For the Year Ended: 12/31/19

WATER UTILITY

To

Arizona Corporation Commission

RECEIVED
UTILITIES DIVISION
2020 MAY 18 P 2:42
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: 5/13/2020

Important changes during the year
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	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	N/A

	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.
	N/A

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	\$110	\$0	\$0	\$110	\$0	\$110
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	15,615	0	0	15,615	0	15,615
304	Structures and Improvements	68,126	0	0	68,126	33,766	34,359
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	60,946	0	0	60,946	37,981	22,965
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	912	0	0	912	388	525
311	Pumping Equipment	127,061	0	0	127,061	115,355	11,707
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	7,745	0	0	7,745	0	7,745
320.3	Point-of-Use Treatment Devices	0	0	0	0	6,611	(6,611)
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	172,640	0	0	172,640	26,885	145,755
330.2	Pressure Tanks	55,213	0	0	55,213	55,213	0
331	Transmission and Distribution Mains	450,034	0	0	450,034	313,933	136,101
333	Services	55,934	629	0	56,563	50,222	6,341
334	Meters and Meter Installations	8,608	402	0	9,010	7,707	1,303
335	Hydrants	8,774	0	0	8,774	6,603	2,172
336	Backflow Prevention Devices	1,428	0	0	1,428	1,420	8
339	Other Plant and Misc. Equipment	4,850	0	0	4,850	4,850	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	4,390	1,228	0	5,617	4,513	1,105
341	Transportation Equipment	37,517	0	0	37,517	34,337	3,180
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	11,613	0	0	11,613	5,990	5,623
346	Communication Equipment	8,003	0	0	8,003	7,385	618
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,099,520	\$2,258	\$0	\$1,101,779	\$713,159	\$388,620

Granite Mountain 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	\$110	\$0	\$0	\$110	\$110	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	15,615	0	0	15,615	15,615	0	0.00%	0
304	Structures and Improvements	68,126	0	0	68,126	0	68,126	3.33%	2,269
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	2.50%	0
307	Wells and Springs	60,946	0	0	60,946	0	60,946	3.33%	2,030
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	912	0	0	912	0	912	5.00%	46
311	Pumping Equipment	127,061	0	0	127,061	99,190	27,871	12.50%	3,484
320	Water Treatment Equipment	0	0	0	0	0	0	12.50%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	7,745	0	0	7,745	2,077	5,669	20.00%	1,134
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	20.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0		0
330.1	Storage Tanks	172,640	0	0	172,640	0	172,640	2.22%	3,833
330.2	Pressure Tanks	55,213	0	0	55,213	55,213	0	5.00%	0
331	Transmission and Distribution Mains	450,034	0	0	450,034	0	450,034	2.00%	9,001
333	Services	55,934	629	0	56,563	0	56,563	3.33%	1,873
334	Meters and Meter Installations	8,608	402	0	9,010	0	9,010	8.33%	734
335	Hydrants	8,774	0	0	8,774	0	8,774	2.00%	175
336	Backflow Prevention Devices	1,428	0	0	1,428	0	1,428	6.67%	95
339	Other Plant and Misc. Equipment	4,850	0	0	4,850	4,850	0	6.67%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	4,390	1,228	0	5,617	4,390	1,228	20.00%	123
341	Transportation Equipment	37,517	0	0	37,517	37,517	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	5.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	11,613	0	0	11,613	0	11,613	5.00%	581
346	Communication Equipment	8,003	0	0	8,003	8,003	0	10.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	10.00%	0
	Subtotal	\$1,099,520	\$2,258	\$0	\$1,101,779	\$226,965	\$874,813		\$25,376

Contribution(s) in Aid of Construction (Gross)	\$5,973
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$5,973</u>
Times: Proposed Amortization Rate	2.90%
Amortization of CIAC	\$1,123

Less: Amortization of CIAC \$1,123

DEPRECIATION EXPENSE **\$24,252**

Granite Mountain Water Company
 Annual Report
 Balance Sheet Assets
 12/31/19

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current and Accrued Assets			
131	Cash		\$93,061	\$123,023
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		11,220	8,518
146	Notes Receivable from Associated Companies		197	147
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$104,478	\$131,689
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,099,520	\$1,101,779
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(687,803)	(713,159)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$411,717	\$388,620
	Total Assets		\$516,195	\$520,309

*Note these items feed automatically from AR3 UPIS Page 4

Granite Mountain 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		\$0	\$122
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		90	0
235	Customer Deposits		500	600
236	Accrued Taxes		61	(229)
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		946	981
	Total Current Liabilities		\$1,597	\$1,473
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$143,015	\$133,163
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		890	1,780
271	Contributions in Aid of Construction		36,728	36,728
272	Less: Amortization of Contributions		(5,592)	(4,468)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$32,027	\$34,040
	Total Liabilities		\$176,638	\$168,676
	Capital Accounts			
201	Common Stock Issued		\$177,139	\$177,139
211	Other Paid-In Capital		404,697	404,697
215	Retained Earnings		(242,280)	(230,204)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$339,557	\$351,632
	Total Liabilities and Capital		\$516,195	\$520,309

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

Granite Mountain 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	\$146,988	\$144,432
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	1,182	4,169
	Total Revenues	\$148,170	\$148,601
	Operating Expenses		
601	Salaries and Wages	\$42,943	\$44,457
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	12,488	11,411
618	Chemicals	0	0
620	Materials and Supplies	1,952	2,012
620.1	Repairs and Maintenance	0	0
620.2	Office Supplies and Expense	8,545	5,162
630	Contractual Services	12,334	3,686
631	Contractual Services - Engineering	5,644	3,763
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	931	767
636	Contractual Services - Other	0	0
640	Rents	1,825	1,825
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	3,785	5,701
657	Insurance - General Liability	5,888	6,458
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	76	696
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	2,079	849
403	Depreciation Expense (From Schedule AR4)	24,252	33,764
408	Taxes Other Than Income	79	46
408.11	Property Taxes	4,227	4,005
409	Income Taxes	0	94
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$127,048	\$124,698
	Operating Income / (Loss)	\$21,121	\$23,903
	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)	(5,929)	(6,214)
	Total Other Income / (Expense)	(\$5,929)	(\$6,214)
	Net Income / (Loss)	\$15,193	\$17,689

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.1	0.0	0.1	0.2
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)	0.2	0.0	0.2	0.4
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	0.2	0.0	0.2	0.4
Other	0.0	0.0	0.0	0.0
Total	0.5	0.0	0.5	1.0

Granite Mountain 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	9/12/204			
Source of Loan	WIFA			
ACC Decision No.	72377			
Reason for Loan	Install new well			
Dollar Amt. Issued	\$181			
Amount Outstanding	\$146,517			
Date of Maturity	5/1/2034			
Interest Rate	3.94%			
Current Year Interest	\$5,929			
Current Year Principal	\$7,407			

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.

Well and Water Usage

Name of the System:		Granite Mountain Water System									
ADEQ Public Water System Number:		W-02467A									
ADWR PCC Number:		#N/A									
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
55-554078	15	125	500	6	Submersible	1996	226	298	3	Metered	Yes
55-210719	15	27	360	5	Submersible	2006	N/A	298	2	Metered	Yes
55-511771	Not in use	None	362	6	Submersible	2004	234	287	2	Metered	No
55-220316	Not in use	None	TBD	6	None	TBD	N/A	N/A	N/A	N/A	No
55-502453	Not in use	None	340	7	None	1982	N/A	N/A	N/A	N/A	No
55-511301	Not in use	None	288	6	None	1985	N/A	N/A	N/A	N/A	No

Name of system water delivered to: _____
 ADWR PCC Number: _____ #N/A
 Source of water delivered to another system: _____

Name of system water received from: _____
 ADWR PCC Number: _____ #N/A
 Source of water received: _____
 Well registry 55# (55-XXXXXX): _____

Month	Water withdrawn (gallons) ¹	Water sold (gallons) ²	Water delivered (sold) to other systems (gallons) ³	Water received (purchased) from other systems (gallons) ⁴	Estimated authorized use (gallons) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	3.69	3.31	0.00	0.00	0.00	\$779	5,381
February	3.34	3.11	0.00	0.00	0.00	1,258	5,921
March	2.93	2.44	0.00	0.00	0.00	837	5,339
April	2.95	2.60	0.00	0.00	0.00	871	5,708
May	2.86	2.49	0.00	0.00	0.00	862	5,011
June	3.35	3.01	0.00	0.00	0.00	942	5,488
July	3.87	3.66	0.00	0.00	0.00	1,184	7,934
August	4.30	3.88	0.00	0.00	0.00	1,082	6,490
September	3.44	3.08	0.00	0.00	0.00	1,279	8,095
October	3.07	2.70	0.00	0.00	0.00	950	5,589
November	1.65	1.44	0.00	0.00	0.00	695	4,514
December	2.16	1.61	0.00	0.00	0.00	451	3,821
Totals	37.62	33.31	0.00	0.00	0.00	\$11,189	69,291

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

TREATMENT EQUIPMENT:	Chlorination Pump Feeder System
-----------------------------	---------------------------------

STRUCTURES:	4- Well house Structures 10' x 12' 1- Pressure tank facility containing 2,000 Gallons pressure tank and pumping
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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	85
Method used:	(b)

Customer and Other Information		
Name of the System:	Granite Mountain Water System	
ADEQ Public Water System Number:	W-02467A	
ADWR PCC Number:	#N/A	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	142	0	0	0	0
February	142	0	0	0	0
March	141	0	0	0	0
April	141	0	0	0	0
May	143	0	0	0	0
June	143	0	0	0	0
July	140	0	0	0	0
August	141	0	0	0	0
September	143	0	0	0	0
October	141	0	0	0	0
November	143	0	0	0	0
December	143	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.

Granite Mountain Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	Granite Mountain Water System
ADEQ Public Water System Number:	W-02467A
ADWR PCC Number:	#N/A

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
Total	0	0	0

Other (description):

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

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$4,227

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
UTILITIES DIVISION
2020 MAY 18 P 2:42
ARIZONA CORPORATION
COMMISSION

Verification and Sworn Statement (Taxes)

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: Granite Mountain 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 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

THIS

13th

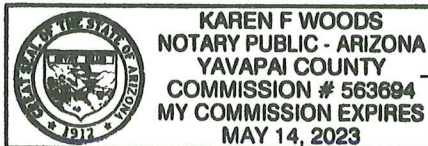
DAY OF

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: Granite Mountain Water Company

RECEIVED
UTILITIES DIVISION
2020 MAY 18 PM 2:42
ARIZONA CORPORATION

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 (\$)
\$148,601
(The amount in the box above includes
\$9,365 in sales taxes
billed or collected)

Paul D. Levie
signature of owner/official

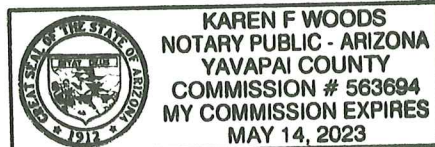
928-717-2616
telephone no.

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

THIS 13th DAY OF 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: Granite Mountain Water Company

RECEIVED
UTILITIES DIVISION

MAY 18 P 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 RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$148,170

(The amount in the box above includes

\$9,347 in sales taxes

billed or collected)

Rae 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

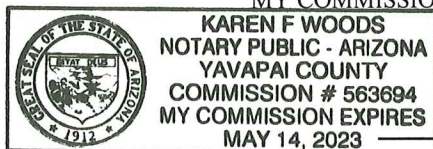
13th

DAY OF

May 2020
(month) and (year)

MY COMMISSION EXPIRES

5-14-2023
(date)



Karen F Woods
(signature of notary public)

Granite Mountain 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: Granite Mountain 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

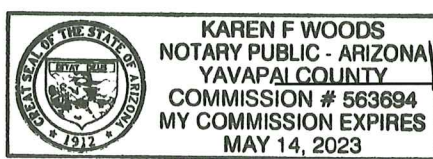
928-717-2616
telephone no.

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)