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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT

Of

Company Name: Granite Oaks Water Users Association
PO Box 1963

Mailing Address: Prescott AZ
86302

Docket No.: W-02539A
For the Year Ended: 12/31/22

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@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: 4/19/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Granite Oaks Water Users Association
A Class Utility

For the Calendar Year Ended: 12/31/22

Primary Address: 302 W. WILLIS STREET, SUITE 203
City: PRESCOTT State: Arizona Zip Code: 86301

Telephone Number: 928-445-0551

Date of Original Organization of Utility: 7/12/1989

Person to whom correspondence should be addressed concerning this report:

Name: CHEERYL IBBOTSON
Telephone No. : 928-445-0551
Address: 302 W. WILLIS STREET, SUITE 203
City: PRESCOTT State: Arizona Zip Code: 86301
Email: cherylibbotson@gmail.com

On-Site Manager

Name: aQuality Water Company, LLC
Telephone No. : 928-606-0498
Address: PO BOX 264
City: WILLIAMS State: Arizona Zip Code: 86046
Email: pataqualitywater@gmail.com

Statutory Agent

Name: ROBERT BUSCH
Telephone No. : 928-713-0548
Address: 302 W. WILLIS STREET, SUITE 203
City: PRESCOTT State: Arizona Zip Code: 86301
Email: rmbusch1@gmail.com

NA

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

NA

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

Ownership: Association--Cooperative

Counties Served: Yavapai

Important changes during the year

No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.

Granite Oaks Water Users Association
Annual Report
Utility Plant in Service (Water)
12/31/22

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	\$12,478	\$0	\$0	\$12,478	\$6,244	\$6,234
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	68,068	0	0	68,068	0	68,068
304	Structures and Improvements	83,441	7,844	0	91,285	50,003	41,282
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	182,604	0	0	182,604	68,764	113,840
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	74,116	0	0	74,116	21,346	52,770
311	Pumping Equipment	207,927	24,190	0	232,117	82,005	150,112
320	Water Treatment Equipment	8,266	0	0	8,266	4,894	3,372
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	27,440	0	0	27,440	13,906	13,534
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	729,369	0	0	729,369	328,577	400,792
333	Services	26,370	0	0	26,370	16,981	9,389
334	Meters and Meter Installations	120,006	583	0	120,589	30,397	90,192
335	Hydrants	87,640	0	0	87,640	28,770	58,870
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	167,448	0	0	167,448	66,942	100,506
340	Office Furniture and Equipment	20,008	0	0	20,008	8,172	11,836
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	0	0	0	0	0	0
	Totals	\$1,815,181	\$32,617	\$0	\$1,847,798	\$727,001	\$1,120,797

Granite Oaks Water Users Association
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/22

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	\$12,478	\$0	\$0	\$12,478	\$0	\$12,478	2.00%	\$250
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	68,068	0	0	68,068	0	68,068	0.00%	0
304	Structures and Improvements	83,441	7,844	0	91,285	0	91,285	2.50%	5,696
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	182,604	0	0	182,604	0	182,604	3.33%	7,711
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	74,116	0	0	74,116	0	74,116	5.00%	4,151
311	Pumping Equipment	207,927	24,190	0	232,117	0	232,117	12.50%	6,330
320	Water Treatment Equipment	8,266	0	0	8,266	0	8,266	3.33%	509
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	27,440	0	0	27,440	0	27,440	2.22%	610
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	729,369	0	0	729,369	0	729,369	2.00%	14,591
333	Services	26,370	0	0	26,370	0	26,370	3.33%	1,795
334	Meters and Meter Installations	120,006	583	0	120,589	0	120,589	8.33%	10,026
335	Hydrants	87,640	0	0	87,640	0	87,640	2.00%	1,753
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	167,448	0	0	167,448	0	167,448	6.67%	11,163
340	Office Furniture and Equipment	20,008	0	0	20,008	0	20,008	6.67%	1,334
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	0	0	0	0	0	0	0.00%	0
	Subtotal	\$1,815,181	\$32,617	\$0	\$1,847,798	\$0	\$1,847,798		\$65,949

Contribution(s) in Aid of Construction (Gross)	\$611,068
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$611,068
Times: Proposed Amortization Rate	3.57%
Amortization of CIAC	\$21,809

Less: Amortization of CIAC \$21,809

DEPRECIATION EXPENSE **\$44,139**

Granite Oaks Water Users Association
 Annual Report
 Balance Sheet Assets
 12/31/22

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current and Accrued Assets			
131	Cash		\$285,664	\$321,245
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		14,122	14,485
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$299,786	\$335,730
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,815,181	\$1,847,798
103	Property Held for Future Use			
105	Construction Work in Progress			16,304
108	Accumulated Depreciation (enter as negative)*		(661,052)	(727,001)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$1,154,129	\$1,137,101
	Total Assets		\$1,453,915	\$1,472,831

*Note these items feed automatically from AR3 UPIS Page 4

Granite Oaks Water Users Association
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$6,821	\$19,892
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes		1,149	1,149
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$7,970	\$21,041
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		2,532	2,955
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		594,643	611,068
272	Less: Amortization of Contributions		(338,878)	(377,112)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$258,297	\$236,911
	Total Liabilities		\$266,267	\$257,952
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		1,187,648	1,214,879
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$1,187,648	\$1,214,879
	Total Liabilities and Capital		\$1,453,915	\$1,472,831

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

Granite Oaks Water Users Association
Annual Report
Water Comparative Income Statement
12/31/22

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2022 - 12/31/2022	Last Year 01/01/2021 - 12/31/2021
	Operating Revenue		
461	Metered Water Revenue	\$250,748	\$258,058
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	1,221	1,563
	Total Revenues	\$251,969	\$259,621
	Operating Expenses		
601	Salaries and Wages	\$13,475	\$13,601
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	29,131	27,164
618	Chemicals	873	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	9,488	11,908
620.2	Office Supplies and Expense	7,816	10,732
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	29,098	29,120
633	Contractual Services - Legal	7,807	0
634	Contractual Services - Management Fees	61,565	60,400
635	Contractual Services - Water Testing	3,298	1,925
636	Contractual Services - Other	6,837	2,120
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	9,636	8,840
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	735	0
403	Depreciation Expense (From Schedule AR4)	44,139	49,829
408	Taxes Other Than Income	0	0
408.11	Property Taxes	11,160	8,050
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$235,059	\$223,689
	Operating Income / (Loss)	\$16,911	\$35,932
	Other Income / (Expense)		
419	Interest and Dividend Income	\$2,102	\$460
421	Non-Utility Income	8,219	413
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	(27)
	Total Other Income / (Expense)	\$10,322	\$846
	Net Income / (Loss)	\$27,233	\$36,778

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President			1.0	1.0
Vice-president			1.0	1.0
Manager	1.0			1.0
Engineering Staff				0.0
System Operator(s)			1.0	1.0
Meter reader			1.0	1.0
Customer Service			1.0	1.0
Accounting			1.0	1.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	1.0	0.0	6.0	7.0

Granite Oaks Water Users Association
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/22

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amt. Issued	N/A	N/A	N/A	N/A
Amount Outstanding	N/A	N/A	N/A	N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	N/A	N/A	N/A	N/A
Current Year Principal	N/A	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$2,955
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Meter Deposits Refunded During the Test Year:	\$412
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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

Well and Water Usage												
Name of the System:		GRANITE OAKS WATER USERS ASSOC										
ADEQ Public Water System Number:		AZ0413155										
ADWR PCC Number:		91-000675.0000										
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2012	Water level 2022	Meter Size (inches)	How measured:	Active	
55-524070	15	60	510	1	submersable	1989			3	Metered	Yes	
55-601103	50	300	643	14	submersable	1962			4	Metered	Yes	
55-588634	50	300	574	14	submersable	2003			4	Metered	Yes	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	
										N/A	N/A	

Name of system water delivered to: GRANITE OAKS WATER USERS ASSOC
 ADWR PCC Number: 91-000675.0000
 Source of water delivered to another system: NA

Name of system water received from: GRANITE OAKS WATER USERS ASSOC
 ADWR PCC Number: 91-000675.0000
 Source of water received: Ground Water
 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	2,444,565.00	2,259,520.00	n/a	n/a	n/a	\$1,734	12,166
February	2,405,502.00	2,203,180.00	n/a	n/a	n/a	1,618	10,491
March	2,588,329.00	2,389,920.00	n/a	n/a	n/a	1,629	10,448
April	5,885,958.00	5,708,320.00	n/a	n/a	n/a	2,333	17,997
May	7,058,518.00	6,916,180.00	n/a	n/a	n/a	3,190	27,107
June	8,827,745.00	8,632,830.00	n/a	n/a	n/a	3,462	29,610
July	7,357,861.00	7,193,020.00	n/a	n/a	n/a	3,495	29,741
August	4,542,455.00	4,395,940.00	n/a	n/a	n/a	2,582	19,525
September	6,010,957.00	5,820,980.00	n/a	n/a	n/a	2,543	19,241
October	4,514,136.00	4,331,070.00	n/a	n/a	n/a	2,482	18,740
November	3,119,816.00	2,295,530.00	n/a	n/a	n/a	2,053	16,160
December	2,566,451.00	2,342,800.00	n/a	n/a	n/a	1,818	11,885
Totals	57,322,293.00	54,489,290.00	0.00	0.00	0.00	\$28,939	223,111

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
 2 Water sold - Total gallons from customer meters, and other sales such as construction water.
 3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
 4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
 5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
 6 Enter the total purchased power costs for the power meters associated with this system.
 7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description			
Name of the System:	GRANITE OAKS WATER USERS ASSOC		
ADEQ Public Water System Number:	AZ0413155		
ADWR PCC Number:	91-000675.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	PVC/C900	5,850
6.00	PVC/C900	57,997
8.00	PVC/C900	4,532
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	464	0%	10%
1	6	0%	0%
2	2	0%	0%
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			

SERVICE LINES		
Material	Percent of system	Year installed
NA		
NA		
NA		
NA		
NA		

BOOSTER PUMPS		
Horsepower	GPM	Quantity
15	230	2
25	450	2

FIRE HYDRANTS	
Type	Quantity
Standard *	55
Other	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
100,000	METAL	1	
84,000	METAL	1	

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

* 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.

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:	UTILITY, PLANT, PUMPS 7 INFRASTRUCTURE
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STRUCTURES:	PUMP HOUSES, FENCING & LANDSCAPING
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OTHER:	GENERATORS, OTHER CAPITAL EQUIPMENT
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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
- (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

427

 Method used:

(b)

Customer and Other Information	
Name of the System:	GRANITE OAKS WATER USERS ASSOC
ADEQ Public Water System Number:	AZ0413155
ADWR PCC Number:	91-000675.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	467				
February	468				
March	470				
April	466				
May	466				
June	466				
July	468				
August	467				
September	467				
October	467				
November	469				
December	469				

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 Oaks Water Users Association
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	GRANITE OAKS WATER USERS ASSOC
ADEQ Public Water System Number:	AZ0413155
ADWR PCC Number:	91-000675.0000

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 relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2022 was	\$3,642
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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)

Verification: State of ARIZONA, the undersigned of the
(state name)

County of (county name): YAVAPAI
Name (owner or official) title: KEN NELSON
Company name: Granite Oaks Water Users Association

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/22

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.

Ken Nelson
signature of owner/official

469-222-3655
telephone no.

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

THIS

26th

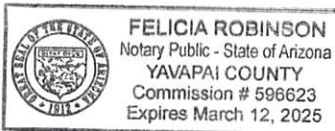
DAY OF

Yavapai
(county name)
April 2023
(month) and (year)

MY COMMISSION EXPIRES

3/12/25
(date)

Felicia Robinson
(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: KEN NELSON
Company name: Granite Oaks Water Users Association

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/22

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 (\$)

\$252,475

(The amount in the box above includes

\$16,363 in sales taxes
billed or collected)

Ken Nelson
signature of owner/official

469-222-3655
telephone no.

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

THIS

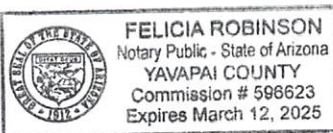
26th

Yavapai
(county name)

DAY OF April 2023
(month) and (year)

MY COMMISSION EXPIRES

3/12/25
(date)



Felicia Robinson
(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: KEN NELSON
Company name: Granite Oaks Water Users Association

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/22

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 (\$)
\$252,475
(The amount in the box above includes
\$16,363 in sales taxes
billed or collected)

Ken Nelson
signature of owner/official
469-222-3655
telephone no.

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

THIS 26th DAY OF April 2023
(month) and (year)

MY COMMISSION EXPIRES 3/12/23
(date)
Felicia Robinson
(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): YAVAPAI
Name (owner or official) title: KEN NELSON
Company name: Granite Oaks Water Users Association

FOR THE YEAR ENDING: 12/31/22

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.

Ken Nelson
signature of owner/official

469-222-3655
telephone no.

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

Yavapai
(county name)

THIS

26th

DAY OF

April 2023
(month) and (year)

MY COMMISSION EXPIRES

3/12/25
(date)



Felicia Robinson
(signature of notary public)