

**ANNUAL REPORT**

Of

Company Name: Inscription Canyon Water Company  
PO Box 2344

Mailing Address: Prescott AZ  
86302-2344

Docket No.: W-21093A  
For the Year Ended: 12/31/20

**RECEIVED  
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ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION**

**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: 5/4/2021

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Inscription Canyon Water Company  
A Class ☒ Utility

For the Calendar Year Ended: 12/31/20

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

Telephone Number: 928-445-5606

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

Name: CHERYL IBBOTSON  
Telephone No. : 928-445-5606  
Address: 302 W. WILLIS STREET; STE 203  
City: PRESCOTT State: Arizona Zip Code: 86301  
Email: cherylibbotson@gmail.com

On-Site Manager  
Name: AQUALITY WATER  
Telephone No. : 928-606-0498  
Address: PO BOX 264  
City: WILLIAMS State: Arizona Zip Code: 86046  
Email: pataqualitywater@gmail.com

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: Association--Cooperative

Counties Served: Yavapai

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Inscription Canyon Water Company

Important changes during the year
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<table border="1"><tr><td></td><td>For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?</td></tr></table>		For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
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Inscription Canyon Water Company  
Annual Report  
Utility Plant in Service (Water)  
12/31/20

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
302	Franchises	16,388			16,388	16,388	0
303	Land and Land Rights	39,880			39,880		39,880
304	Structures and Improvements	256,161			256,161	120,713	135,448
305	Collecting & Improving Reservoirs	0			0		0
306	Lake, River, Canal Intakes	0			0		0
307	Wells and Springs	345,375	18,712		364,087	144,555	219,532
308	Infiltration Galleries	0			0		0
309	Supply Mains	0			0		0
310	Power Generation Equipment	0			0		0
311	Pumping Equipment	1,439,441			1,439,441	1,318,399	121,042
320	Water Treatment Equipment	0			0	3,585	(3,585)
320.1	Water Treatment Plants	7,832			7,832		7,832
320.2	Solution Chemical Feeders	0			0		0
320.3	Point-of-Use Treatment Devices	0			0		0
330	Distribution Reservoirs and Standpipes	0			0	184,237	(184,237)
330.1	Storage Tanks	614,782			614,782		614,782
330.2	Pressure Tanks	0			0		0
331	Transmission and Distribution Mains	7,462,446			7,462,446	2,239,819	5,222,627
333	Services	983,646			983,646	448,972	534,674
334	Meters and Meter Installations	325,346	44,077		369,423	55,268	314,155
335	Hydrants	677,431			677,431	194,564	482,867
336	Backflow Prevention Devices	0			0		0
339	Other Plant and Misc. Equipment	46,957			46,957	22,705	24,252
340	Office Furniture and Equipment	233			233	228	5
340.1	Computer & Software	0			0		0
341	Transportation Equipment	0			0		0
342	Stores Equipment	0			0		0
343	Tools, Shop and Garage Equipment	438			438	308	130
344	Laboratory Equipment	0			0		0
345	Power Operated Equipment	0			0		0
346	Communication Equipment	0	0		0		0
347	Miscellaneous Equipment	0			0		0
348	Other Tangible Plant	0			0		0
	<b>Totals</b>	<b>\$12,216,356</b>	<b>\$62,789</b>	<b>\$0</b>	<b>\$12,279,145</b>	<b>\$4,749,741</b>	<b>\$7,529,404</b>

Inscription Canyon Water Company  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/20

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
302	Franchises	16,388	0	0	16,388		16,388		0
303	Land and Land Rights	39,880	0	0	39,880		39,880		0
304	Structures and Improvements	256,161	0	0	256,161		256,161	3.33%	8,439
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	345,375	18,712	0	364,087		364,087	3.33%	11,542
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	1,439,441	0	0	1,439,441		1,439,441	12.50%	12,513
320	Water Treatment Equipment	0	0	0	0		0	3.33%	345
320.1	Water Treatment Plants	7,832	0	0	7,832		7,832		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	2.22%	13,660
330.1	Storage Tanks	614,782	0	0	614,782		614,782		0
330.2	Pressure Tanks	0	0	0	0		0		0
331	Transmission and Distribution Mains	7,462,446	0	0	7,462,446		7,462,446	2.00%	149,304
333	Services	983,646	0	0	983,646		983,646	3.33%	32,793
334	Meters and Meter Installations	325,346	44,077	0	369,423		369,423	8.33%	28,687
335	Hydrants	677,431	0	0	677,431		677,431	6.67%	13,558
336	Backflow Prevention Devices	0	0	0	0		0		0
339	Other Plant and Misc. Equipment	46,957	0	0	46,957		46,957	6.67%	2,976
340	Office Furniture and Equipment	233	0	0	233		233	6.67%	16
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	438	0	0	438		438	10.00%	22
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
	<b>Subtotal</b>	<b>\$12,216,356</b>	<b>\$62,789</b>	<b>\$0</b>	<b>\$12,279,145</b>	<b>\$0</b>	<b>\$12,279,145</b>		<b>\$273,855</b>

Contribution(s) in Aid of Construction (Gross)  
Less: Non Amortizable Contribution(s)  
Fully Amortized Contribution(s)  
Amortizable Contribution(s)  
Times: Proposed Amortization Rate  
Amortization of CIAC

\$0  
2.23%  
\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$273,855

Inscription Canyon Water Company  
Annual Report  
Balance Sheet Assets  
12/31/20

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$610,793	\$747,340
134	Working Funds			
135	Temporary Cash Investments		24,013	
141	Customer Accounts Receivable		24,292	28,927
146	Notes Receivable from Associated Companies		11,500	13,500
151	Plant Material and Supplies			0
162	Prepayments		1,500	1,500
174	Miscellaneous Current and Accrued Assets		22,741	22,367
	<b>Total Current and Accrued Assets</b>		<b>\$694,839</b>	<b>\$813,635</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$12,216,356	\$12,279,145
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(4,475,886)	(4,749,741)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$7,740,470</b>	<b>\$7,529,404</b>
	<b>Total Assets</b>		<b>\$8,435,309</b>	<b>\$8,343,039</b>

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

Inscription Canyon Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current Liabilities			
231	Accounts Payable		\$15,566	\$22,895
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		23,807	17,880
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	<b>Total Current Liabilities</b>		<b>\$39,373</b>	<b>\$40,775</b>
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		6,286,807	6,246,829
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		5,457,092	5,457,092
272	Less: Amortization of Contributions		(1,456,719)	(1,577,982)
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$10,287,180</b>	<b>\$10,125,939</b>
	<b>Total Liabilities</b>		<b>\$10,326,553</b>	<b>\$10,166,713</b>
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		(1,891,244)	(1,823,675)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>(\$1,891,244)</b>	<b>(\$1,823,675)</b>
	<b>Total Liabilities and Capital</b>		<b>\$8,435,309</b>	<b>\$8,343,039</b>

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

Inscription Canyon Water Company  
Annual Report  
Water Comparative Income Statement  
12/31/20

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$647,034	\$569,097
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	4,987	4,553
	<b>Total Revenues</b>	<b>\$652,021</b>	<b>\$573,650</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water	11,859	8,256
615	Purchased Power	112,784	109,054
618	Chemicals	2,538	3,737
620	Materials and Supplies		
620.1	Repairs and Maintenance	20,550	20,286
620.2	Office Supplies and Expense	11,218	10,350
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	49,409	46,208
633	Contractual Services - Legal	52,376	22,732
634	Contractual Services - Management Fees	138,233	158,911
635	Contractual Services - Water Testing	3,059	3,606
636	Contractual Services - Other	8,557	3,200
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	165	154
657	Insurance - General Liability	16,203	15,215
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	1,179	886
670	Bad Debt Expense		
675	Miscellaneous Expense	13,062	3,697
403	Depreciation Expense (From Schedule AR4)	273,855	265,684
408	Taxes Other Than Income		
408.11	Property Taxes	23,120	13,322
409	Income Taxes		
427.1	Customer Security Deposit Interest	880	444
	<b>Total Operating Expenses</b>	<b>\$739,048</b>	<b>\$685,742</b>
	<b>Operating Income / (Loss)</b>	<b>(\$87,027)</b>	<b>(\$112,092)</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$15	\$5
421	Non-Utility Income	438	384
426	Miscellaneous Non-Utility (Expense)	191,819	121,263
427	Interest (Expense)		(5)
	<b>Total Other Income / (Expense)</b>	<b>\$192,272</b>	<b>\$121,647</b>
	<b>Net Income / (Loss)</b>	<b>\$105,245</b>	<b>\$9,555</b>



Inscription Canyon Water Company  
Annual Report  
Full time equivalent employees  
12/31/20

**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President	1.0	0.0	0.0	1.0
Vice-president	1.0	0.0	0.0	1.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	2.0	0.0	0.0	2.0
Meter reader	1.0	0.0	0.0	1.0
Customer Service	2.0	0.0	0.0	2.0
Accounting	1.0	0.0	0.0	1.0
Business Office	1.0	0.0	0.0	1.0
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>	<b>9.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9.0</b>

Inscription Canyon Water Company  
Annual Report  
Supplemental Financial Data (Long-Term Debt)  
12/31/20

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:	\$123,684
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Meter Deposits Refunded During the Test Year:	\$17,002
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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.*

Inscription Canyon Water Company  
Annual Report  
Well and Water Usage  
12/31/20

[illegible]

Name of system water delivered to:	INSCRIPTION CANYON RANCH SYSTEM		
ADWR PCC Number:	91-000687.0000		
Source of water delivered to another system			

Name of system water received from:	INSCRIPTION CANYON RANCH SYSTEM
ADWR PCC Number:	91-000687.0000
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 Expense6	Purchased Power (kWh)7
January	1,350,653.00	1,116,940.00	0.00	0.00	0.00	1725.75	11498
February	1,403,885.00	1,266,850.00	0.00	0.00	2,000.00	1472.71	9513
March	1,521,285.00	1,402,850.00	0.00	0.00	8,000.00	1444.63	9466
April	1,762,560.00	1,582,550.00	0.00	0.00	9,000.00	1532.38	10341
May	2,998,022.00	3,023,250.00	0.00	0.00	122,000.00	2013.69	14587
June	4,463,567.00	4,260,140.00	0.00	0.00	23,000.00	2258.51	22290
July	4,509,640.00	4,412,890.00	0.00	0.00	31,000.00	2466.6	20305
August	4,520,934.00	4,310,120.00	0.00	0.00	48,000.00	2742.88	23450
September	4,894,606.00	4,733,790.00	0.00	0.00	45,000.00	2472.91	20341
October	4,208,698.00	4,192,090.00	0.00	0.00	18,000.00	2402.52	19479
November	3,451,955.00	3,306,234.00	0.00	0.00	20,000.00	1988.96	15188
December	2,531,908.00	2,345,230.00	0.00	0.00	18,000.00	2299.32	17229
<b>Totals</b>	<b>37,617,713.00</b>	<b>35,852,934.00</b>	<b>0.00</b>	<b>0.00</b>	<b>344,000.00</b>	<b>\$24,821</b>	<b>193,687</b>

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

	N/A
--	-----

- 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.

Inscription Canyon Water Company  
Annual Report  
Well and Water Usage  
12/31/20

[illegible]

Name of system water delivered to:	ICR TALKING ROCK
ADWR PCC Number:	91-000686.0000
Source of water delivered to another system	

Name of system water received from:	
ADWR PCC Number:	
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 Expense6	Purchased Power (kWh)7
January	1,149,744.00				160,000.00	4764.8	18966
February	2,020,572.00	1,835,580.00			25,000.00	4,524	20,600
March	3,011,424.00	2,950,974.00			30,000.00	4,622	25,120
April	4,687,740.00				30,000.00	5,461	36,560
May	14,330,602.00	14,166,440.00			60,000.00	8,120	64,760
June	15,912,417.00	15,336,220.00			150,000.00	7,851	80,400
July	22,480,347.00	20,949,230.00			50,000.00	10,651	94,880
August	20,524,168.00	20,423,470.00			180,000.00	10,494	97,600
September	20,071,062.00	20,514,020.00			250,000.00	9,786	85,200
October	16,246,564.00	15,150,040.00			100,000.00	8,643	69,360
November	12,552,207.00	12,266,140.00			50,000.00	7,160	52,240
December	5,813,323.00	5,763,040.00			40,000.00	5,886	33,000
Totals	138,800,176.00	134,840,284.00	0.00	0.00	1,125,000.00	\$83,198	659,720

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

Instructions: Fill out the Grev 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.

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.

#VALUE!

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:		INSCRIPTION CANYON RANCH SYSTEM	
ADEQ Public Water System Number:		AZ0413303	
ADWR PCC Number:		91-000687.0000	

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## MAINS

[illegible]

## CUSTOMER METERS

[illegible]

## SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed
PVC	100%	

## BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
100 HP		2
75 HP		3
25 HP		2
40 HP		4

## FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	115
Other	0

## STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
350K		2	

## PRESSURE/BLADDER TANKS

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

### Water Utility Plant Description

Name of the System:	ICR TALKING ROCK
ADEQ Public Water System Number:	AZ0413263
ADWR PCC Number:	91-000686.0000

[illegible]

SERVICE LINES		
Material	Percent of system	Year installed
PVC	100%	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
35		2

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
350,000		2	

[illegible]

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

[illegible]

\* 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)
---

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

<b>TREATMENT EQUIPMENT:</b>	CHLORINE INJECTION
<b>STRUCTURES:</b>	3 WELL HOUSES, 3 BOOSTER STATIONS, WELL FIELD ELECTRICAL CONTROL HOUSE
<b>OTHER:</b>	2 STORAGE HOUSE

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:

Water Utility Plant Description (Continued)
---

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

TREATMENT EQUIPMENT:	CHLORINE INJECTION
STRUCTURES:	2 WELL HOUSES. 1 BOOSTER STATION
OTHER:	2 STORAGE TANKS

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

Method used:




Inscription Canyon Water Company  
Annual Report  
Customer and Other Information  
12/31/20

Customer and Other Information	
Name of the System:	INSCRIPTION CANYON RANCH SYSTEM
ADEQ Public Water System Number:	AZ0413303
ADWR PCC Number:	91-000687.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	272		1	1	
February	272		1	1	
March	274		1	1	
April	276		1	1	
May	277		1	1	
June	278		1	1	
July	276		1	1	
August	279		1	1	
September	278		1	1	
October	281		1	1	
November	279		1	1	
December	275		1	1	

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.

Inscription Canyon Water Company  
Annual Report  
Customer and Other Information  
12/31/20

Customer and Other Information	
Name of the System:	ICR TALKING ROCK
ADEQ Public Water System Number:	AZ0413263
ADWR PCC Number:	91-000686.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	372		9	6	1
February	375		10	6	1
March	375		10	6	1
April	380		10	6	1
May	376		12	6	1
June	375		11	6	1
July	388		10	6	1
August	384		11	6	1
September	396		11	6	1
October	407		11	6	1
November	397		11	6	1
December	387		11	6	1

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 12b.

Inscription Canyon Water Company  
**Annual Report**  
 Utility Shutoffs / Disconnects  
 12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	INSCRIPTION CANYON RANCH SYSTEM
ADEQ Public Water System Number:	AZ0413303
ADWR PCC Number:	91-000687.0000

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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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.

Inscription Canyon Water Company  
Annual Report  
Utility Shutoffs / Disconnects  
12/31/20

Utility Shutoffs / Disconnects		
Name of the System:	ICR TALKING ROCK	
ADEQ Public Water System Number:		AZ0413263
ADWR PCC Number:		91-000686.0000

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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

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.

Inscription Canyon Water Company  
Annual Report  
Property Taxes  
12/31/20

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2020 was
--

\$23,120
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If no property taxes paid, explain why.
---

<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.
---

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: GILES HOWARD  
Company name: Inscription Canyon Water Company

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

FOR THE YEAR ENDING: 12/31/20

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.

[Signature]  
signature of owner/official

970-846-6445  
telephone no.

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

THIS

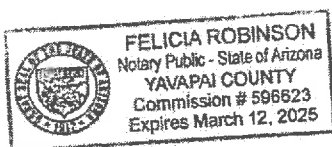
28<sup>th</sup>

DAY OF

Yavapai  
(county name)  
April, 2021  
(month) and (year)

MY COMMISSION EXPIRES

3/12/2025  
(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: GILES HOWARD  
Company name: Inscription Canyon Water Company

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

FOR THE YEAR ENDING: 12/31/20

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.

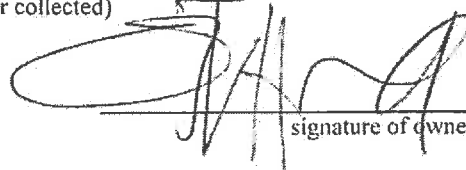
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$689,237

(The amount in the box above includes

\$42,029 in sales taxes  
billed or collected)



signature of owner/official

970-846-6445

telephone no.

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

THIS

28<sup>th</sup>

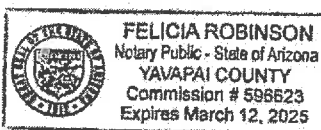
DAY OF

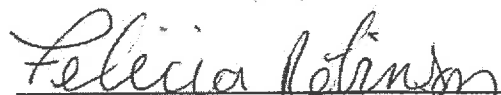
Yavapai  
(county name)

April, 2021  
(month) and (year)

MY COMMISSION EXPIRES

3/12/2025  
(date)



  
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name):

Yavapai

Name (owner or official) title:

GILES HOWARD

Company name:

Inscription Canyon Water Company

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

FOR THE YEAR ENDING: 12/31/20

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 (\$)

\$689,237

(The amount in the box above includes

\$42,029 in sales taxes

billed or collected)

[Signature]  
signature of owner/official

970-846-6445

telephone no.

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

Yavapai  
(county name)

THIS

28<sup>th</sup>

DAY OF

April, 2021  
(month) and (year)

MY COMMISSION EXPIRES

3/12/2025  
(date)



[Signature]  
(signature of notary public)



Inscription Canyon Water Company  
Annual Report  
for Income Tax Statement of Certification  
12/31/20

for Income Tax Statement of Certification

Verification:

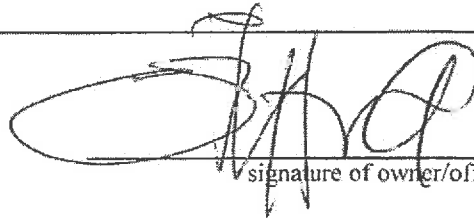
State of Arizona I, the undersigned of the  
(state name)

County of (county name): Yavapai  
Name (owner or official) title: GILES HOWARD  
Company name: Inscription Canyon Water Company

FOR THE YEAR ENDING: 12/31/20

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.

  
signature of owner/official

970-846-6445  
telephone no.

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

Yavapai  
(county name)

THIS

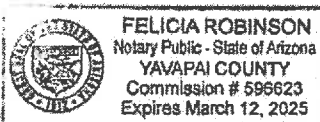
28<sup>th</sup>

DAY OF

April, 2021  
(month) and (year)

MY COMMISSION EXPIRES

3/12/2025  
(date)



  
(signature of notary public)