

**ANNUAL REPORT**

Of

Company Name: **Management Systems, LLC dba Jake's Corner Water System**  
211 W. Saddle Lane

Mailing Address: Payson AZ  
85541

**RECEIVED  
BY EMAIL**

5/10/2022, 10:19 AM

**ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION**

Docket No.: W-20935A  
For the Year Ended: **12/31/21**

**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: **4/12/2022**

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Management Systems, LLC dba Jake's Corner Water System  
A Class ☒ Utility

For the Calendar Year Ended: 12/31/21

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

Telephone Number: 928-445-0551

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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

Management Contact

Name: MICHAEL ARMSTEAD  
Telephone No. : 928-951-4000  
Address: 211 SADDLE  
City: PAYSON State: Arizona Zip Code: 86335  
Email: ymcpayson@msn.com

On-Site Manager

Name: DEAN SHAFFER  
Telephone No. : 928-978-2286  
Address: 605 W. ARABIAN WAY  
City: PAYSON State: Arizona Zip Code: 85541  
Email: 2swmlc@gmail.com

Statutory Agent

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

NA

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

Ownership: "S" Corporation

Counties Served: Gila

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Management Systems, LLC dba Jake's Corner Water System

<b>Important changes during the year</b>
--

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.

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Utility Plant in Service (Water)  
12/31/21

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	\$3,600	\$0	\$0	\$3,600	\$3,600	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	0	0	0	0	0	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	15,000	0	0	15,000	15,000	0
308	Infiltration Galleries	5,000	0	0	5,000	5,000	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	1,811	0	0	1,811	1,153	658
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	0	0	0	0	0	0
333	Services	0	31,299	0	31,299	522	30,777
334	Meters and Meter Installations	0	0	0	0	0	0
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$25,411</b>	<b>\$31,299</b>	<b>\$0</b>	<b>\$56,710</b>	<b>\$25,275</b>	<b>\$31,435</b>

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/21

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	\$3,600	\$0	\$0	\$3,600	\$0	\$3,600	0.00%	\$0
302	Franchises	0	0	0	0	\$0	0	0.00%	0
303	Land and Land Rights	0	0	0	0	\$0	0	0.00%	0
304	Structures and Improvements	0	0	0	0	\$0	0	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	\$0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	\$0	0	0.00%	0
307	Wells and Springs	15,000	0	0	15,000	\$0	15,000	3.33%	0
308	Infiltration Galleries	5,000	0	0	5,000	\$0	5,000	6.67%	0
309	Supply Mains	0	0	0	0	\$0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	\$0	0	0.00%	0
311	Pumping Equipment	1,811	0	0	1,811	\$0	1,811	0.00%	1,153
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	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	\$0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	\$0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	\$0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	\$0	0	5.00%	0
331	Transmission and Distribution Mains	0	0	0	0	\$0	0	0.00%	0
333	Services	0	31,299	0	31,299	\$0	31,299	3.33%	522
334	Meters and Meter Installations	0	0	0	0	\$0	0	0.00%	0
335	Hydrants	0	0	0	0	\$0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	\$0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	\$0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	\$0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	\$0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	\$0	0	0.00%	0
342	Stores Equipment	0	0	0	0	\$0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	\$0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	\$0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	\$0	0	0.00%	0
346	Communication Equipment	0	0	0	0	\$0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	\$0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	\$0	0	0.00%	0
	<b>Subtotal</b>	<b>\$25,411</b>	<b>\$31,299</b>	<b>\$0</b>	<b>\$56,710</b>	<b>\$0</b>	<b>\$56,710</b>		<b>\$1,675</b>

Contribution(s) in Aid of Construction (Gross) \$0  
Less: Non Amortizable Contribution(s) 0  
Fully Amortized Contribution(s) 0  
Amortizable Contribution(s) \$0  
Times: Proposed Amortization Rate 2.95%  
Amortization of CIAC \$0

Less: Amortization of CIAC \$0

**DEPRECIATION EXPENSE \$1,675**

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Balance Sheet Assets  
12/31/21

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$0	\$574
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable			4,259
146	Notes Receivable from Associated Companies		6,139	7,300
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	<b>Total Current and Accrued Assets</b>		<b>\$6,139</b>	<b>\$12,133</b>
<b>Account No.</b>	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$25,411	\$56,710
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(23,892)	(25,275)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$1,519</b>	<b>\$31,435</b>
	<b>Total Assets</b>		<b>\$7,658</b>	<b>\$43,568</b>

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

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable			\$0
232	Notes Payable (Current Portion)			0
234	Notes Payable to Associated Companies			3,155
235	Customer Deposits		216	269
236	Accrued Taxes			0
237	Accrued Interest			0
242	Miscellaneous Current and Accrued Liabilities			0
	<b>Total Current Liabilities</b>		<b>\$216</b>	<b>\$3,424</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$34,069
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction			
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction			
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$216</b>	<b>\$37,493</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		7,442	6,075
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>\$7,442</b>	<b>\$6,075</b>
	<b>Total Liabilities and Capital</b>		<b>\$7,658</b>	<b>\$43,568</b>

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

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Water Comparative Income Statement  
12/31/21

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2021 - 12/31/2021	Last Year 01/01/2020 - 12/31/2020
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$9,696	\$5,488
460	Unmetered Water Revenue		0
462	Fire Protection Revenue		0
469	Guaranteed Revenues (Surcharges)		3,087
471	Miscellaneous Service Revenues		23
474	Other Water Revenue	181	105
	<b>Total Revenues</b>	<b>\$9,877</b>	<b>\$8,703</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages		\$0
604	Employee Pensions and Benefits		0
610	Purchased Water		879
615	Purchased Power	1,096	0
618	Chemicals		0
620	Materials and Supplies		0
620.1	Repairs and Maintenance	1,205	1,943
620.2	Office Supplies and Expense	957	320
630	Contractual Services		0
631	Contractual Services - Engineering		0
632	Contractual Services - Accounting	1,347	895
633	Contractual Services - Legal	2,115	0
634	Contractual Services - Management Fees	12,736	6,000
635	Contractual Services - Water Testing	1,000	1,173
636	Contractual Services - Other	3,372	2,521
640	Rents		0
641	Rental of Building/Real Property		0
642	Rental of Equipment	955	0
650	Transportation Expenses	2,033	151
657	Insurance - General Liability	725	320
657.1	Insurance - Health and Life		0
665	Regulatory Commission Expense - Rate		3,000
670	Bad Debt Expense		0
675	Miscellaneous Expense	630	107
403	Depreciation Expense (From Schedule AR4)	1,675	78
408	Taxes Other Than Income		0
408.11	Property Taxes		308
409	Income Taxes		0
427.1	Customer Security Deposit Interest	4	3
	<b>Total Operating Expenses</b>	<b>\$29,850</b>	<b>\$17,698</b>
	<b>Operating Income / (Loss)</b>	<b>(\$19,973)</b>	<b>(\$8,995)</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income		\$0
421	Non-Utility Income	9	4
426	Miscellaneous Non-Utility (Expense)		0
427	Interest (Expense)		(3)
	<b>Total Other Income / (Expense)</b>	<b>\$9</b>	<b>\$1</b>
	<b>Net Income / (Loss)</b>	<b>(\$19,964)</b>	<b>(\$8,994)</b>

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Full time equivalent employees  
12/31/21

**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
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
<b>Total</b>	0.0	0.0	5.0	5.0

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Supplemental Financial Data (Long-Term Debt)  
12/31/21

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				
ACC Decision No.				
Reason for Loan				
Dollar Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

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

[illegible]

Name of system water delivered to:	NA	
ADWR PCC Number:		#N/A
Source of water delivered to another system	NA	
Name of system water received from:	NA	
ADWR PCC Number:		#N/A
Source of water received	NA	
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	61,546.00	57,520.00	0.00	0.00	0.00	\$62	
February	70,596.00	63,600.00	0.00	0.00	0.00	57	
March	53,146.00	46,620.00	0.00	0.00	0.00	60	
April	81,495.00	72,120.00	0.00	0.00	0.00	79	
May	156,610.00	139,830.00	0.00	0.00	0.00	91	
June	161,472.00	140,410.00	0.00	0.00	0.00	100	
July	249,522.00	228,920.00	0.00	0.00	0.00	116	
August	149,623.00	132,410.00	0.00	0.00	0.00	102	
September	126,643.00	115,130.00	0.00	0.00	0.00	112	
October	160,862.00	147,580.00	0.00	0.00	0.00	112	
November	110,397.00	99,457.00	0.00	0.00	0.00	100	
December	114,619.00	101,433.00	0.00	0.00	0.00	104	
Totals	1,496,531.00	1,345,030.00	0.00	0.00	0.00	\$1,096	0

**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.   |

[illegible][illegible]

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

BOOSTER PUMPS		
Horsepower	GPM	Quantity
N/A		

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

<b>STORAGE TANKS</b>			
<b>Capacity (gallons)</b>	<b>Material</b>	<b>Quantity</b>	<b>Year installed</b>

[illegible]

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**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>	N/A
<b>STRUCTURES:</b>	N/A
<b>OTHER:</b>	underground system has no maps and main line and services are unknown - we will need exploratory excavating and a mapping to provide this data

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 

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 Method used: 

(a)
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Customer and Other Information	
Name of the System:	JAKES CORNER WATER SYSTEM
ADEQ Public Water System Number:	AZ0404029
ADWR PCC Number:	91-000832.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	19				
February	22				
March	20				
April	21				
May	21				
June	21				
July	22				
August	20				
September	20				
October	20				
November	20				
December	20				

If the system has fire hydrants, what is the fire flow requirements?  GPM for  hrs.

Does the system have chlorination treatment?  No

Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement?  No  
If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?  No  
If yes, which AMA?  NA

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.  
A WIFA LOAN WAS OBTAINED AND ENGINEERING HAS COMMENCED

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

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Utility Shutoffs / Disconnects  
12/31/21

Utility Shutoffs / Disconnects		
Name of the System:	JAKES CORNER WATER SYSTEM	
ADEQ Public Water System Number:		AZ0404029
ADWR PCC Number:		91-000832.0000

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

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.

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Property Taxes  
12/31/21

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2021 was	\$2,547

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.

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/21

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: MICHAEL ARMSTEAD  
Company name: Management Systems, LLC dba Jake's Corner Water System

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

FOR THE YEAR ENDING: 12/31/21

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.

Michael Armstead  
signature of owner/official

928-951-4000  
telephone no.

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

THIS

14<sup>th</sup>

DAY OF

Gila

(county name)

April 2022  
(month) and (year)

MY COMMISSION EXPIRES

11-9-2025  
(date)



KATHRYN J TEACHER  
NOTARY PUBLIC - ARIZONA  
GILA COUNTY  
COMMISSION # 817440  
MY COMMISSION EXPIRES  
NOVEMBER 09, 2025

Kathryn J Teacher  
(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:

MICHAEL ARMSTEAD

Company name:

Management Systems, LLC dba Jake's Corner Water System

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$10,916

(The amount in the box above includes

\$1,039 in sales taxes

billed or collected)

Michael Armstead

signature of owner/official

928-951-4000

telephone no.

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

THIS

14<sup>th</sup>

DAY OF

Gila

(county name)

April, 2022

(month) and (year)

MY COMMISSION EXPIRES

11-9-2025  
(date)



KATHRYN J. TEACHER  
NOTARY PUBLIC - ARIZONA  
GILA COUNTY  
COMMISSION # 617440  
MY COMMISSION EXPIRES  
NOVEMBER 09, 2025

Kathryn J. Teacher  
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of

ARIZONA

(state name)

I, the undersigned of the

County of (county name):

YAVAPAI

Name (owner or official) title:

MICHAEL ARMSTEAD

Company name:

Management Systems, LLC dba Jake's Corner Water System

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$10,916

(The amount in the box above includes

\$1,039 in sales taxes

billed or collected)

*Michael Armstead*

signature of owner/official

928-951-4000

telephone no.

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

Gila  
(county name)

THIS

14<sup>th</sup>

DAY OF

April, 2022  
(month) and (year)

MY COMMISSION EXPIRES

11-9-2025  
(date)



KATHRYN J TEACHER  
NOTARY PUBLIC - ARIZONA  
GILA COUNTY  
COMMISSION # 817440  
MY COMMISSION EXPIRES  
NOVEMBER 09, 2025

*Kathryn J Teacher*  
(signature of notary public)

Management Systems, LLC dba Jake's Corner Water System  
Annual Report  
Full Gross-up Method for Income Tax Statement of Certification  
12/31/21

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:

MICHAEL ARMSTEAD

Company name:

Management Systems, LLC dba Jake's Corner Water System

FOR THE YEAR ENDING: 12/31/21

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.

Michael Armstead  
signature of owner/official

928-951-4000

telephone no.

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

Gila  
(county name)

THIS

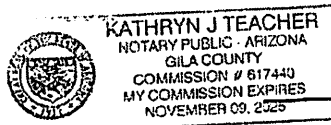
14<sup>th</sup>

DAY OF

April, 2022  
(month) and (year)

MY COMMISSION EXPIRES

11-9-2025  
(date)



Kathryn J Teacher  
(signature of notary public)