

ANNUAL REPORT

Of

Company Name: Lazy C Water Service
PO Box 1

Mailing Address: Tucson AZ
85702

Docket No.: W-01536A
For the Year Ended: 12/31/20

**RECEIVED
BY EMAIL**

**04/15/2021, 11:20 AM
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: 4/19/2021

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Lazy C Water Service
A Class ☐ Utility

For the Calendar Year Ended: 12/31/20

Primary Address:

PO Box 1

City:

Tucson

 State:

Arizona

 Zip Code:

85702

Telephone Number:

520-743-0758

Date of Original Organization of Utility:

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Person to whom correspondence should be addressed concerning this report:

Name:

Rebecca Hiser

Telephone No. :

520-743-0758

Address:

same

City:

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 State:

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 Zip Code:

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Email:

lazycwater@outlook.com

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Name:

Robert Canfield II

Telephone No. :

520-743-0758

Address:

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City:

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 State:

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 Zip Code:

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Email:

lazycwater@outlook.com

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Name:

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Telephone No. :

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Address:

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City:

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 Zip Code:

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Email:

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Name:

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Telephone No. :

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 Zip Code:

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Email:

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Name:

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Telephone No. :

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Address:

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City:

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 State:

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 Zip Code:

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Email:

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Ownership:

"C" Corporation

Counties Served:

Pima

Important changes during the year	
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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.

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0			\$0	\$0	\$0
302	Franchises	0			0	0	0
303	Land and Land Rights	74			74	0	74
304	Structures and Improvements	0	3,135		3,135	52	3,083
305	Collecting & Improving Reservoirs	0			0	0	0
306	Lake, River, Canal Intakes	0			0	0	0
307	Wells and Springs	17,092			17,092	14,215	2,877
308	Infiltration Galleries	0			0	0	0
309	Supply Mains	0			0	0	0
310	Power Generation Equipment	0			0	0	0
311	Pumping Equipment	166,324	48,903		215,227	134,576	80,651
320	Water Treatment Equipment	0			0	0	0
320.1	Water Treatment Plants	0			0	0	0
320.2	Solution Chemical Feeders	0			0	0	0
320.3	Point-of-Use Treatment Devices	0			0	0	0
330	Distribution Reservoirs and Standpipes	0			0	0	0
330.1	Storage Tanks	21,977	210,724		232,701	20,267	212,435
330.2	Pressure Tanks	8,480			8,480	6,043	2,437
331	Transmission and Distribution Mains	241,957	131,742		373,699	190,306	183,393
333	Services	10,292	523		10,815	4,812	6,003
334	Meters and Meter Installations	26,546	10,334		36,880	21,801	15,079
335	Hydrants	0			0	0	0
336	Backflow Prevention Devices	0			0	0	0
339	Other Plant and Misc. Equipment	5,722			5,722	5,655	67
340	Office Furniture and Equipment	1,999			1,999	1,944	55
340.1	Computer & Software	590			590	590	0
341	Transportation Equipment	37,368			37,368	37,368	0
342	Stores Equipment	0			0	0	0
343	Tools, Shop and Garage Equipment	2,046	2,479		4,525	2,020	2,505
344	Laboratory Equipment	0			0	0	0
345	Power Operated Equipment	0			0	0	0
346	Communication Equipment	0			0	0	0
347	Miscellaneous Equipment	0			0	0	0
348	Other Tangible Plant	0			0		0
	Totals	\$540,466	\$407,841	\$0	\$948,308	\$439,650	\$508,658

Lazy C Water Service
 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	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	74	0	0	74	74	0	0.00%	0
304	Structures and Improvements	0	3,135	0	3,135	0	3,135	3.33%	52
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	17,092	0	0	17,092	0	17,092	3.33%	569
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	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	166,324	48,903	0	215,227	47,012	168,215	12.50%	13,410
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
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	21,977	210,724	0	232,701	0	232,701	2.22%	2,827
330.2	Pressure Tanks	8,480	0	0	8,480	5,695	2,785	5.00%	139
331	Transmission and Distribution Mains	241,957	131,742	0	373,699	0	373,699	2.00%	6,157
333	Services	10,292	523	0	10,815	0	10,815	3.33%	351
334	Meters and Meter Installations	26,546	10,334	0	36,880	10,306	26,574	8.33%	1,783
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	5,722	0	0	5,722	5,322	400	6.67%	27
340	Office Furniture and Equipment	1,999	0	0	1,999	1,673	326	6.67%	22
340.1	Computer & Software	590	0	0	590	590	0	20.00%	0
341	Transportation Equipment	37,368	0	0	37,368	37,368	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	2,046	2,479	0	4,525	1,671	2,854	5.00%	81
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%	0
	Subtotal	\$540,466	\$407,841	\$0	\$948,308	\$109,711	\$838,597		\$25,418

Contribution(s) in Aid of Construction (Gross)	\$23,000
Less: Non Amortizable Contribution(s)	
Fully Amortized Contribution(s)	
Amortizable Contribution(s)	\$23,000
Times: Proposed Amortization Rate	4.35%
Amortization of CIAC	\$1,001

Less: Amortization of CIAC	\$1,001
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DEPRECIATION EXPENSE	\$24,417
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Lazy C Water Service
 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.	Current and Accrued Assets			
131	Cash		\$38,266	\$43,482
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		12,568	13,556
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		1,866	7,466
	Total Current and Accrued Assets		\$52,700	\$64,504
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$540,466	\$948,308
103	Property Held for Future Use			
105	Construction Work in Progress		175,182	
108	Accumulated Depreciation (enter as negative)*		(414,232)	(439,650)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$301,417	\$508,658
	Total Assets		\$354,117	\$573,162

*Note these items feed automatically from AR3 UPIS Page 4

Lazy C Water Service
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		\$66,273	\$11,501
232	Notes Payable (Current Portion)		0	
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes		31,992	18,686
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities		3,360	9,306
	Total Current Liabilities		\$101,626	\$39,493
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$86,010	\$328,194
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		4,062	47,985
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		23,000	23,000
272	Less: Amortization of Contributions		(6,384)	(7,384)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$20,679	\$63,601
	Total Liabilities		\$208,314	\$431,288
	Capital Accounts			
201	Common Stock Issued		\$10,000	\$10,000
211	Other Paid-In Capital		36,219	36,219
215	Retained Earnings		99,584	95,655
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$145,803	\$141,874
	Total Liabilities and Capital		\$354,117	\$573,162

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

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	Operating Revenue		
461	Metered Water Revenue	\$131,385	\$125,639
460	Unmetered Water Revenue		
462	Fire Protection Revenue		0
469	Guaranteed Revenues (Surcharges)	28,675	25,653
471	Miscellaneous Service Revenues		0
474	Other Water Revenue	1,380	1,485
	Total Revenues	\$161,440	\$152,777
	Operating Expenses		
601	Salaries and Wages		\$0
604	Employee Pensions and Benefits		0
610	Purchased Water	34,302	18,642
615	Purchased Power	18,106	15,363
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	4,802	2,759
620.2	Office Supplies and Expense	3,132	4,049
630	Contractual Services		
631	Contractual Services - Engineering		0
632	Contractual Services - Accounting	2,560	6,923
633	Contractual Services - Legal		(18)
634	Contractual Services - Management Fees	47,100	46,850
635	Contractual Services - Water Testing	770	984
636	Contractual Services - Other	2,763	1,320
640	Rents		0
641	Rental of Building/Real Property		0
642	Rental of Equipment		340
650	Transportation Expenses	1,391	540
657	Insurance - General Liability	3,551	3,514
657.1	Insurance - Health and Life		0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense		0
675	Miscellaneous Expense	1,428	1,472
403	Depreciation Expense (From Schedule AR4)	24,417	21,486
408	Taxes Other Than Income		0
408.11	Property Taxes	6,534	6,460
409	Income Taxes	50	50
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$150,906	\$130,735
	Operating Income / (Loss)	\$10,535	\$22,042
	Other Income / (Expense)		
419	Interest and Dividend Income	\$1	\$1
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)	(14,241)	(10,977)
	Total Other Income / (Expense)	(\$14,240)	(\$10,976)
	Net Income / (Loss)	(\$3,706)	\$11,065

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			0.4	0.4
Engineering Staff			0.0	0.0
System Operator(s)			0.6	0.6
Meter reader				0.0
Customer Service				0.0
Accounting			0.0	0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other			0.3	0.3
Total	0.0	0.0	1.4	1.4

Lazy C Water Service
 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	11/9/2018			
Source of Loan	WIFA			
ACC Decision No.	76676			
Reason for Loan	New Tank, Line			
Dollar Amt. Issued	\$352,851			
Amount Outstanding	\$328,194			
Date of Maturity	10/1/2038			
Interest Rate	4.71%			
Current Year Interest	\$10,825			
Current Year Principal	\$11,795			

Meter Deposit Balance at Test Year End:	\$4,792
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Meter Deposits Refunded During the Test Year:	
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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.

Name of system water received from:	TUCSON, CITY OF		
ADWR PCC Number:	91-000439.0000		
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)
January	728477	846850		324332.80	10,000.00	\$1,143.82	9,122
February	815288	855054		270327.00	40,000.00	\$1,014.87	7,939
March	1191401	1046616		90657.60	15,000.00	\$941.78	7,276
April	1224295	1302950		242352.00	5,000.00	\$1,125.80	8,940
May	1369187	1580720		679258.8	150,000.00	\$1,676.01	10,935
June	1512251	1718840		692797.60	150,000.00	\$1,928.46	13,619
July	1201027	1612160		494054.0	10,000.00	\$2,033.10	12,921
August	1567259	1913240		550228.8	20,000.00	\$1,863.54	11,719
September	1465493	1561940		626225.60	60,000.00	\$2,079.84	13,173
October	1519162	2103400		860349.60	10,000.00	\$1,661.21	12,827
November	1328730	1285941		267410.00	5,000.00	\$1,230.70	9,347
December	1295966	1054655		68741.20	40,000.00	\$1,407.11	10,911
Totals	15,218,536.00	16,882,366.00	0.00	5,166,735.00	515,000.00	\$18,106	128,729

<p>If applicable, in the space below please provide a description for all un-metered water use along with amounts:</p> <p>construction projects, sanitizing & draining new storage tank, blow offs of new main line & existing lines</p>

- Page 11

Water Utility Plant Description

Name of the System:	LAZY 'C' WATER SERVICE		
ADEQ Public Water System Number:	AZ0410065		
ADWR PCC Number:	91-000428.0000		

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed
Copper	90%	99-2017
Galvanized steel	7%	<1996
Black poly	3%	2018
Copper	0%	2020

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	25	1
25	60	2
20	40	1

FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	1
Other	

STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
100,000	steel	1	1975?
30,000	steel	1	1996?
18,000	steel	1	1998?
100,000	steel	1	2020

PRESSURE/BLADDER TANKS

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
3,000	steel	2	
2,000	steel	1	
1,000	steel	1	2018

* 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:	
STRUCTURES:	330 foot chain link fence, 6 feet tall. 68 feet grape stake, 5 feet tall. 300 foot concrete block wall, 5 feet tall. 6 foot gates, 3 pieces.
OTHER:	

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	324
Method used:	(a)

Customer and Other Information	
Name of the System:	Lazy C Water
ADEQ Public Water System Number:	AZ0410065
ADWR PCC Number:	91-000428.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	141				
February	141				
March	141				
April	142				
May	143				
June	143				
July	143				
August	143				
September	143				
October	143				
November	144				
December	144				

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.

Lazy C Water Service
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	LAZY 'C' WATER SERVICE
ADEQ Public Water System Number:	AZ0410065
ADWR PCC Number:	91-000428.0000

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 relevant 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 2020 was
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\$24,232

If no property taxes paid, explain why.

Includes interest and fees paid for delinquent taxes.

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

Verification and Sworn Statement (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Rebecca Hiser
Company name: Lazy C Water Service

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 NOT CURRENT AND PAID IN FULL.

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

Rebecca C Hiser
signature of owner/official

520-743-0758
telephone no.

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

THIS

15th

DAY OF

Pima

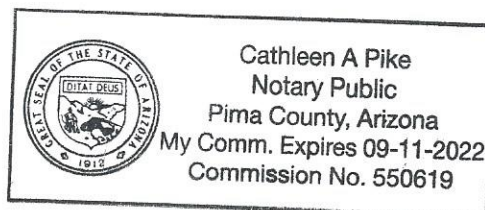
(county name)

April 2021
(month) and (year)

MY COMMISSION EXPIRES

9-11-2022
(date)

Cathleen A. Pike
(signature of notary public)



Verification and Sworn Statement

Verification:

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

County of (county name): Pima

Name (owner or official) title: Rebecca Hiser

Company name: Lazy C Water Service

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 (\$)

\$169,570

(The amount in the box above includes

\$8,130 in sales taxes

billed or collected)

Rebecca C. Hiser

signature of owner/official

520-743-0758

telephone no.

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

THIS

15th

DAY OF

Pima
(county name)

April 2021
(month) and (year)

MY COMMISSION EXPIRES

9-11-2022

(date)



Cathleen A Pike
Notary Public
Pima County, Arizona
My Comm. Expires 09-11-2022
Commission No. 550619

Cathleen A. Pike

(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):

Pima

Name (owner or official) title:

Rebecca Hiser

Company name:

Lazy C Water Service

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 (\$)

\$169,570

(The amount in the box above includes

\$8,130 in sales taxes

billed or collected)

Rebecca C. Hiser
signature of owner/official

520-743-0758

telephone no.

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

Pima
(county name)

THIS

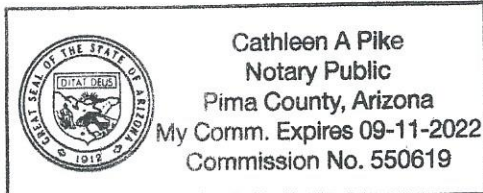
15th

DAY OF

April 2021
(month) and (year)

MY COMMISSION EXPIRES

9-11-2022
(date)



Cathleen A. Pike
(signature of notary public)

Gross-up Sharing Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Pima
Name (owner or official) title: Rebecca Hiser
Company name: Lazy C Water Service

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 HAS INCURRED OR 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.

Rebecca C Hiser
signature of owner/official

520-743-0758
telephone no.

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

THIS

15th

DAY OF

Pima
(county name)

April 2021
(month) and (year)

MY COMMISSION EXPIRES

9-11-2022
(date)

Cathleen A. Pike
(signature of notary public)

