

ANNUAL REPORT

Of

Company Name:
PO Box 86205

Mailing Address: Phoenix AZ
85080

Docket No.: W-01854A
For the Year Ended:

**RECEIVED
BY EMAIL**

7/02/2020 12:32 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:

Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Lyn Lee Water Company
A Class Utility

For the Calendar Year Ended: 12/31/19

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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:

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

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

Ownership:

Counties Served:

Important changes during the year
--

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

	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	N/A

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization				\$0		\$0
302	Franchises				0		0
303	Land and Land Rights				0		0
304	Structures and Improvements				0		0
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs				0		0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	46,268			46,268	45,337	931
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	5,910			5,910	5,910	0
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	1,400			1,400	1,400	0
333	Services				0		0
334	Meters and Meter Installations				0		0
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment				0		0
340.1	Computer & Software	8,020			8,020	8,020	0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment	650			650	650	0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant				0		0
	Totals	\$62,248	\$0	\$0	\$62,248	\$61,317	\$931

Lyn Lee Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/19

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0		\$0		\$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	0	0	0	0		0		0
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	46,268	0	0	46,268		46,268	0.80%	372
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	5,910	0	0	5,910		5,910	0.00%	0
330.2	Pressure Tanks	0	0	0	0		0		0
331	Transmission and Distribution Mains	1,400	0	0	1,400		1,400	0.00%	0
333	Services	0	0	0	0		0		0
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	8,020	0	0	8,020		8,020	0.00%	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	650	0	0	650		650	4.46%	29
347	Miscellaneous Equipment	0	0	0	0		0		0
348	Other Tangible Plant	0	0	0	0		0		0
	Subtotal	\$62,248	\$0	\$0	\$62,248		\$62,248		\$401

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

0.64%

\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$401

Lyn Lee Water Company
 Annual Report
 Balance Sheet Assets
 12/31/19

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current and Accrued Assets			
131	Cash		\$2,572	\$1,951
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		1,000	2,750
	Total Current and Accrued Assets		\$3,572	\$4,701
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$62,248	\$62,248
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(60,916)	(61,317)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$1,332	\$931
	Total Assets		\$4,904	\$5,632

*Note these items feed automatically from AR3 UPIS Page 4

Lyn Lee Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities			
231	Accounts Payable			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		1,667	
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$1,667	\$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$811	
	Deferred Credits			
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			
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$2,478	\$0
	Capital Accounts			
201	Common Stock Issued		\$16,000	\$16,000
211	Other Paid-In Capital			
215	Retained Earnings		(13,574)	(10,368)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$2,426	\$5,632
	Total Liabilities and Capital		\$4,904	\$5,632

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

Lyn Lee Water Company
Annual Report
Water Comparative Income Statement
12/31/19

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	Operating Revenue		
461	Metered Water Revenue	\$18,199	\$17,452
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	\$18,199	\$17,452
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	1,368	1,534
618	Chemicals		
620	Materials and Supplies	110	154
620.1	Repairs and Maintenance	(692)	6,224
620.2	Office Supplies and Expense	1,640	1,947
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	450	450
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	6,041	3,745
635	Contractual Services - Water Testing	3,435	2,665
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability	813	200
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense		
403	Depreciation Expense (From Schedule AR4)	401	579
408	Taxes Other Than Income	1,154	1,179
408.11	Property Taxes	1,085	1,824
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$15,805	\$20,501
	Operating Income / (Loss)	\$2,394	(\$3,049)
	Other Income / (Expense)		
419	Interest and Dividend Income		\$1
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$1
	Net Income / (Loss)	\$2,394	(\$3,048)

Lyn Lee Water Company
 Annual Report
 Full time equivalent employees
 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1.0			1.0
Vice-president				0.0
Manager			1.0	1.0
Engineering Staff				0.0
System Operator(s)				0.0
Meter reader				0.0
Customer Service				0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	1.0	0.0	1.0	2.0

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:	
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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.

Well and Water Usage											
Name of the System:											
ADEQ Public Water System Number:											
ADWR PCC Number:											
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2010	Water level 2019	Meter Size (inches)	How measured:	Active
55-628537	5	60	400	8	submersible	1987			2	Metered	Yes

Name of system water delivered to: _____
ADWR PCC Number: _____
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 Expense ⁶	Purchased Power (kWh) ⁷
January	169,359.00	169,359.00	0.00	0.00	0.00	\$113	487
February	177,047.00	177,047.00	0.00	0.00	0.00	102	416
March	127,203.00	127,203.00	0.00	0.00	0.00	96	372
April	223,146.00	223,146.00	0.00	0.00	0.00	119	539
May	277,137.00	277,137.00	0.00	0.00	0.00	125	664
June	289,048.00	289,048.00	0.00	0.00	0.00	136	754
July	281,210.00	281,210.00	0.00	0.00	0.00	123	731
August	237,180.00	237,180.00	0.00	0.00	0.00	162	964
September	315,108.00	315,108.00	0.00	0.00	0.00	144	812
October	184,296.00	184,296.00	0.00	0.00	0.00	127	617
November	187,458.00	187,458.00	0.00	0.00	0.00	121	576
December	266,294.00	266,294.00	0.00	0.00	0.00	113	500
Totals	2,734,486.00	2,734,486.00	0.00	0.00	0.00	\$1,482	7,432

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:	Lyn Lee Water Company		
ADEQ Public Water System Number:	AZ04-10007		
ADWR PCC Number:	56-000141.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	400
3.00	PVC	400
4.00	PVC	400

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	41	90%	90%

SERVICE LINES		
Material	Percent of system	Year installed
PVC	100%	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
NA	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	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 (Continued)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	NA
-----------------------------	----

STRUCTURES:	NA
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OTHER:	NA
---------------	----

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:

Customer and Other Information	
Name of the System:	Lyn Lee Water Company
ADEQ Public Water System Number:	04-10007
ADWR PCC Number:	56-000141.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	39	0	0	0	0
February	39	0	0	0	0
March	39	0	0	0	0
April	39	0	0	0	0
May	39	0	0	0	0
June	39	0	0	0	0
July	39	0	0	0	0
August	39	0	0	0	0
September	39	0	0	0	0
October	39	0	0	0	0
November	39	0	0	0	0
December	39	0	0	0	0

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

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (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.

Lyn Lee Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	Lyn Lee Water Company
04-10007	
56-000141.0000	

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

Amount of actual property taxes paid during Calendar Year 2019 was

\$1,085

If no property taxes paid, explain why.

N/A

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: CAROL GONZALEZ - PRESIDENT
Company name: Lyn Lee Water Company

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

FOR THE YEAR ENDING: 12/31/19

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: 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.

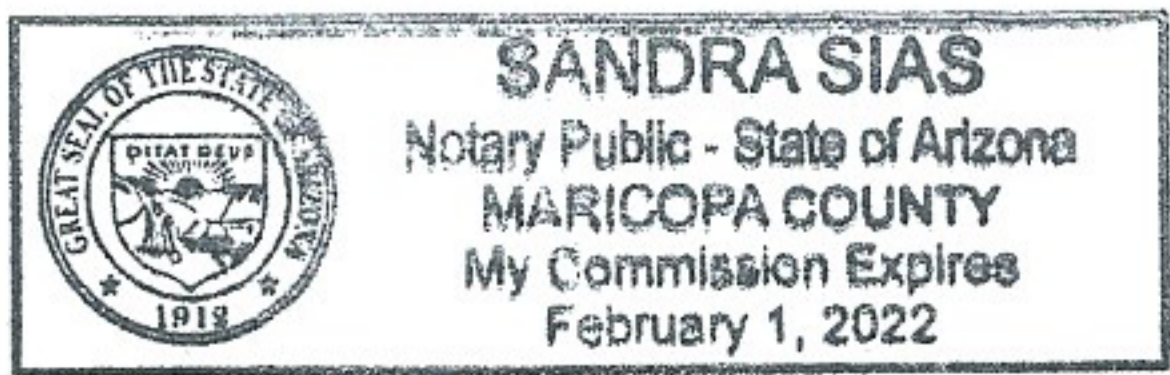
Carol Gonzalez
signature of owner/official

623-302-3239
telephone no.

RECEIVED
BY EMAIL
7/02/2020 12:32 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY
THIS 1st DAY OF Maricopa
July 2020
(month) and (year)

MY COMMISSION EXPIRES 2-1-2020
(date)



Sandra Sias
(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: CAROL GONZALEZ - PRESIDENT
Company name: Lyn Lee Water Company

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

FOR THE YEAR ENDING: 12/31/19

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: 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 (\$)

\$19,353

(The amount in the box above includes

\$1,154 in sales taxes

billed or collected)

RECEIVED
BY EMAIL
7/02/2020 12:32 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Carol Gonzalez
signature of owner/official

623-302-3239

telephone no.

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

THIS

1st

DAY OF

Maricopa

(county name)

JULY 2020

(month) and (year)

MY COMMISSION EXPIRES

22nd
2-1-2022

(date)



SANDRA SIAS
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires
February 1, 2022

Sandra Sias
(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: CAROL GONZALEZ - PRESIDENT
Company name: Lyn Lee Water Company

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

FOR THE YEAR ENDING: 12/31/19

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

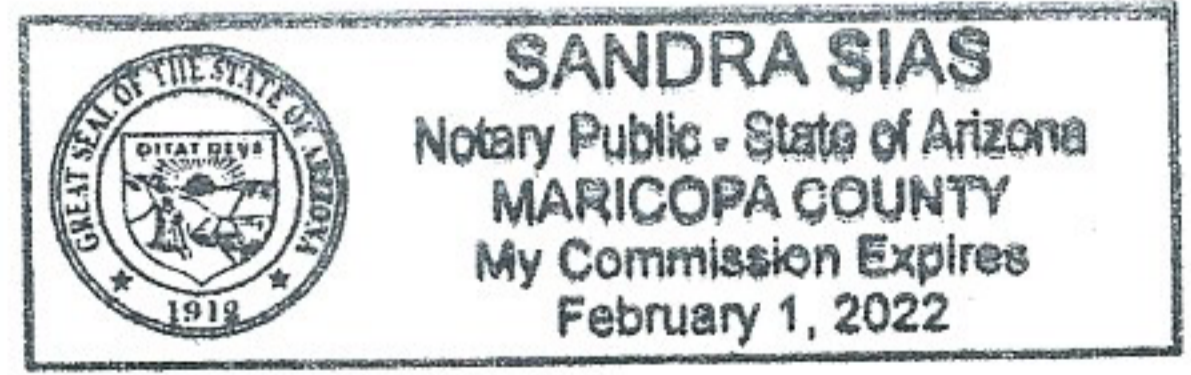
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR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

Arizona Intrastate Gross Operating Revenues Only (\$)
\$19,353
(The amount in the box above includes
\$1,154 in sales taxes
billed or collected)

RECEIVED
BY EMAIL
7/02/2020 12:32 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Carol Gonzalez
signature of owner/official

623-302-3239
telephone no.



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

THIS 1st DAY OF July 2020
(month) and (year)

MY COMMISSION EXPIRES 2-1-2022
(date)

Sandra Sias
(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): Pima
Name (owner or official) title: CAROL GONZALEZ - PRESIDENT
Company name: Lyn Lee Water Company

FOR THE YEAR ENDING: 12/31/19

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY 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.

RECEIVED
BY EMAIL
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Carol Gonzalez
signature of owner/official

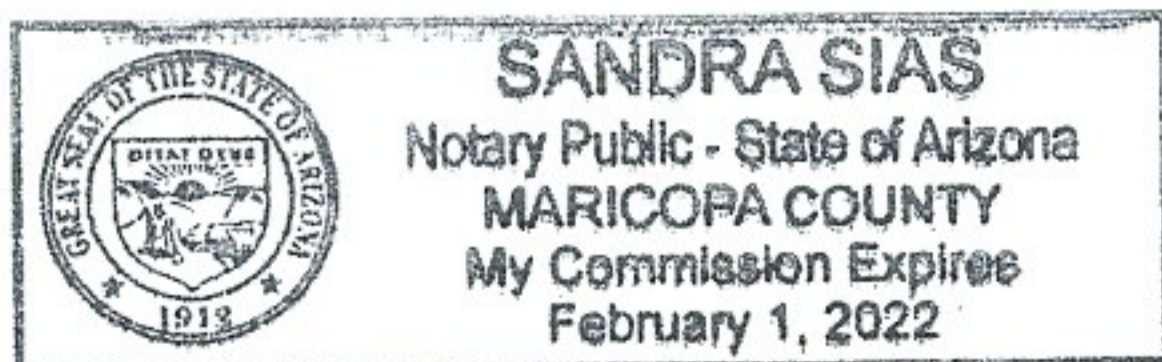
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Sandra Sias
(signature of notary public)