

Rec

ANNUAL REPORT

Of

Company Name: Spanish Trail Water Company
2200 E. River Rd., Ste 115

Mailing Address: Tucson AZ
85718

Docket No.: W-01816A
For the Year Ended: 12/31/19

**RECEIVED
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3/26/2020, 10:21 AM
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: Original Filing

Application Date: 4/21/2020

ARIZONA CORPORATION COMMISSION
 WATER UTILITY ANNUAL REPORT
 Spanish Trail 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:

Management Contact

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

NA

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

NA

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

NA

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

Ownership:

Counties Served:

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.
	n/a

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.
	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	\$3,394	\$0	\$0	\$3,394	\$0	\$3,394
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	1,594	0	0	1,594	1,594	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	148,376	434,732	0	583,108	90,552	492,556
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	70,377	105,764	0	176,141	85,785	90,356
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	16,900	0	16,900	281	16,619
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	96,929	60,695	0	157,624	37,727	119,897
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	462,083	0	0	462,083	256,355	205,728
333	Services	23,532	0	0	23,532	22,718	814
334	Meters and Meter Installations	61,993	16,346	0	78,339	67,837	10,502
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
	Totals	\$868,278	\$634,437	\$0	\$1,502,715	\$562,849	\$939,866

Spanish Trail 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	\$3,394	\$0	\$0	\$3,394	\$3,394	\$0	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	1,594	0	0	1,594	1,594	0	3.33%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	3.33%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	148,376	434,732	0	583,108	0	583,108	3.33%	12,179
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	70,377	105,764	0	176,141	0	176,141	12.50%	15,407
320	Water Treatment Equipment	0	0	0	0	0	0	3.33%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	0	16,900	0	16,900	0	16,900	3.33%	281
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	3.33%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	2.22%	0
330.1	Storage Tanks	96,929	60,695	0	157,624	6,308	151,316	2.22%	2,686
330.2	Pressure Tanks	0	0	0	0	0	0	2.22%	0
331	Transmission and Distribution Mains	462,083	0	0	462,083	0	462,083	2.00%	9,242
333	Services	23,532	0	0	23,532	0	23,532	3.33%	784
334	Meters and Meter Installations	61,993	16,346	0	78,339	0	78,339	8.33%	5,845
335	Hydrants	0	0	0	0	0	0	2.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	6.67%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	20.00%	0
341	Transportation Equipment	0	0	0	0	0	0	20.00%	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	5.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	5.00%	0
346	Communication Equipment	0	0	0	0	0	0	5.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$868,278	\$634,437	\$0	\$1,502,715	\$11,296	\$1,491,419		\$46,424

Contribution(s) in Aid of Construction (Gross)	\$286,439
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$286,439
Times: Proposed Amortization Rate	3.11%
Amortization of CIAC	\$8,916

Less: Amortization of CIAC \$8,916

DEPRECIATION EXPENSE **\$37,508**

Spanish Trail 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		\$1,431	\$1,525
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		6,686	37,180
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		21,917	21,917
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$30,034	\$60,622
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$868,278	\$1,502,715
103	Property Held for Future Use		12,000	12,000
105	Construction Work in Progress		827,381	921,428
108	Accumulated Depreciation (enter as negative)*		(516,424)	(562,849)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,191,235	\$1,873,294
	Total Assets		\$1,221,269	\$1,933,916

*Note these items feed automatically from AR3 UPIS Page 4

Spanish Trail 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		\$120,613	\$95,672
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		26,569	26,236
236	Accrued Taxes		4,249	6,490
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$151,431	\$128,398
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		286,439	286,439
272	Less: Amortization of Contributions		(39,963)	(48,879)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$246,476	\$237,560
	Total Liabilites		\$397,907	\$365,958
	Capital Accounts			
201	Common Stock Issued		\$1,000	\$1,000
211	Other Paid-In Capital		4,422,891	5,245,539
215	Retained Earnings		(3,600,529)	(3,678,581)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$823,362	\$1,567,958
	Total Liabilities and Capital		\$1,221,269	\$1,933,916

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

Spanish Trail 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	\$159,384	\$166,000
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	100,000	34,644
	Total Revenues	\$259,384	\$200,644
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	55,379	53,313
615	Purchased Power	25,628	22,148
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	1,480	54,616
620.2	Office Supplies and Expense	43	36
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	24,030	20,000
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	12,000	12,000
635	Contractual Services - Water Testing	32	0
636	Contractual Services - Other	97,238	99,263
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	260
657	Insurance - General Liability	13,696	7,026
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	42,378	69,731
403	Depreciation Expense (From Schedule AR4)	37,508	10,260
408	Taxes Other Than Income	9,592	10,658
408.11	Property Taxes	8,906	7,575
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$327,910	\$366,886
	Operating Income / (Loss)	(\$68,526)	(\$166,242)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$68,526)	(\$166,242)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.1	0.0	0.1
Vice-president	0.0	0.1	0.0	0.1
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.1	0.1
System Operator(s)	0.0	0.0	1.0	1.0
Meter reader	0.0	0.0	0.1	0.1
Customer Service	0.0	0.0	0.5	0.5
Accounting	0.0	0.3	0.5	0.8
Business Office	0.0	0.0	0.0	0.0
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
Total	0.0	0.5	2.2	2.7

Spanish Trail Water Company
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/19

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	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$26,136
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Meter Deposits Refunded During the Test Year:	\$796
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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:		SPANISH TRAIL WATER COMPANY									
ADEQ Public Water System Number:			AZ0410127								
ADWR PCC Number:			91-000444.0000								
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
55-622249	5	35	200	8	submersible	1982	100	102	2	Metered	Yes
55-622256	40	400	200	12	turbine	1982	144	146	4	Metered	Yes
55-536560	20	305	200	12	turbine	1982	139	141	6	Metered	Yes
55-591952	250	1,200	737	16	turbine	2002	310	348	8	Metered	Yes

Name of system water delivered to:	SPANISH TRAIL WATER COMPANY	
ADWR PCC Number:	91-000444.0000	
Source of water delivered to another system	CAP	

Name of system water received from:	SAGUARO WATER COMPANY	
ADWR PCC Number:	91-000467.0000	
Source of water received	Ground Water	
Well registry 55# (55-XXXXXX):	56-000135.0000	

Month	Water withdrawn (gallons) ¹	Water sold (gallons) ²	Water delivered (sold) to other systems (gallons) ³	Water received (purchased) from other systems (gallons) ⁴	Estimated authorized use (gallons) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	2,532,733.82	2,747,640.00	0.00	662,050.00	50,654.68	\$1,402	8,887
February	3,312,739.21	3,593,830.00	0.00	744,140.00	66,254.78	1,367	8,573
March	2,800,716.12	3,038,361.00	0.00	988,050.00	56,014.32	1,583	10,376
April	4,421,002.45	4,796,131.00	0.00	856,680.00	88,420.05	1,671	10,820
May	4,034,271.17	4,376,585.00	0.00	857,220.00	80,685.42	1,794	11,627
June	5,749,846.11	6,237,729.00	0.00	1,162,280.00	114,996.92	2,103	12,602
July	5,022,594.48	5,448,769.00	0.00	982,300.00	100,451.89	2,359	14,277
August	6,010,066.99	6,520,030.00	0.00	1,267,248.00	120,201.34	2,617	16,066
September	4,630,598.88	5,023,512.00	0.00	1,575,521.00	92,611.98	2,250	13,522
October	4,444,249.87	4,821,351.00	0.00	1,211,883.00	88,885.00	2,269	13,680
November	9,440,435.20	10,241,470.00	0.00	922,330.00	188,808.70	2,177	14,136
December	6,680,665.70	7,247,530.00	0.00	1,091,080.00	133,613.31	3,727	24,855
Totals	59,079,920.00	64,092,938.00	0.00	12,320,782.00	1,181,598.40	\$25,319	159,422

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

Small water breaks by homeowners - unknown amount of water loss. A few meters have been replaced due to inaccuracies - inknown water loss.

- 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:	SPANISH TRAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410127
ADWR PCC Number:	91-000444.0000

MAINS		
Sizes (inches)	Material	Length (feet)
4.00	AC/PVC	12,910
6.00	AC/PVC	31,520
8.00	PVC	12,069
12.00	PVC C900	6,319
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	418	0%	80%
0.75	20	0%	90%
1	11	0%	90%
Turbine 2	3	0%	90%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%

SERVICE LINES		
Material	Percent of system	Year installed
Galvanized steel	100%	pre-2005
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
25	300	2
7.5	50	2
0	0	0
0	0	0

FIRE HYDRANTS	
Type	Quantity
Standard *	27
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	Steel	2	pre-2005
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
1,000	Steel	1	Pre-2005
2,000	Steel	1	Pre-2005
3,000	Steel	1	Pre-2005
5,000	Steel	1	2019
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:	Chlorinator
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STRUCTURES:	NA
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OTHER:	NA
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Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 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	320
Method used:	(a)

Customer and Other Information	
Name of the System:	SPANISH TRAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410127
ADWR PCC Number:	91-000444.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	431	1	4	4	0
February	441	1	4	4	0
March	443	1	4	4	0
April	446	1	4	4	0
May	447	1	4	4	0
June	449	1	4	4	0
July	450	1	4	4	0
August	450	1	4	4	0
September	450	1	4	4	0
October	447	1	4	4	0
November	446	1	4	4	0
December	443	1	4	4	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.
 Current Improvements are currently being constructed. A new well location was equipped in 2019 and in 2020 there will be a new reservoir along with new mains and a 558 lot subdivision being worked on. The 558 service lines are expected to be placed/connected over the next 4 years.

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

Spanish Trail Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	SPANISH TRAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410127
ADWR PCC Number:	91-000444.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	3	0
February	0	5	0
March	0	0	0
April	0	5	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	2	0
October	0	3	0
November	0	3	0
December	0	5	0
Total	0	26	0

Other (description):

na

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

\$8,907

If no property taxes paid, explain why.

na

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: Chad Kolodisner, Treasurer
Company name: Spanish Trail 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.

**RECEIVED
BY EMAIL**

3/26/2020, 10:21 AM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

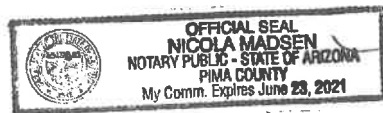
[Handwritten Signature]
signature of owner/official

520-577-0200
telephone no.

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

THIS 25th DAY OF PIMA
March 2020
(month) and (year)

MY COMMISSION EXPIRES 6/23/2021
(date)



[Handwritten Signature: Nicola Madsen]
(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: Chad Kolodisner, Treasurer
Company name: Spanish Trail 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 (\$)

\$259,384

(The amount in the box above includes

\$9,592 in sales taxes

billed or collected)

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BY EMAIL

3/26/2020, 10:21 AM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

signature of owner/official

520-577-0200

telephone no.

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

PIMA

(county name)

THIS

25th

DAY OF

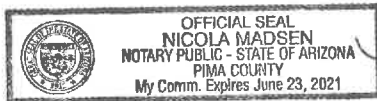
MARCH 2020

(month) and (year)

MY COMMISSION EXPIRES

6/23/2021

(date)



(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: Chad Kolodisner, Treasurer
Company name: Spanish Trail 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 (\$)

\$157,312

(The amount in the box above includes

\$9,467 in sales taxes

billed or collected)

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3/26/2020, 10:21 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



signature of owner/official

520-577-0200

telephone no.

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

PIMA

(county name)

THIS

25th

DAY OF

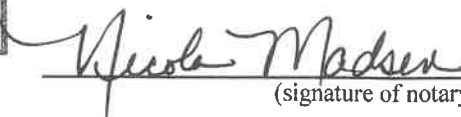
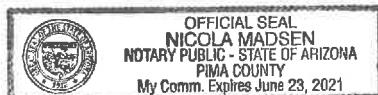
MARCH 2020

(month) and (year)

MY COMMISSION EXPIRES

6/23/2021

(date)



(signature of notary public)

Self-pay 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: Chad Kolodisner, Treasurer
Company name: Spanish Trail 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

3/26/2020, 10:21 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

signature of owner/official

520-577-0200

telephone no.

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

PIMA

(county name)

THIS

25th

DAY OF

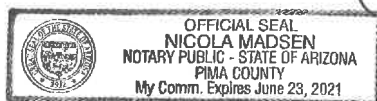
MARCH 2020

(month) and (year)

MY COMMISSION EXPIRES

6/23/2021

(date)



(signature of notary public)