

ANNUAL REPORT

Of

Company Name: **Yarnell Water Improvement Association, Inc.**
PO Box 727

Mailing Address: **Yarnell** **AZ**
85362

**RECEIVED
BY EMAIL**

4/14/2022, 2:43 PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

Docket No.: **W-02255A**
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: **4/14/2022**

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Yarnell Water Improvement Association, Inc.
A Class ☒ Utility

For the Calendar Year Ended: 12/31/21

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

Telephone Number: 928-445-0551

Date of Original Organization of Utility: 11/14/1972

Person to whom correspondence should be addressed concerning this report:

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

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

Statutory Agent
Name: TERRI DENEMY
Telephone No. : 602-614-4329
Address: PO BOX 612
City: YARNELL State: Arizona Zip Code: 85362
Email: denemyaz@aol.com

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

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

Ownership: "S" Corporation

Counties Served: Yavapai

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Yarnell Water Improvement Association, Inc.

Important changes during the year

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.	
---	--

Yarnell Water Improvement Association, Inc.
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	\$24,471	\$0	\$0	\$24,471	\$0	\$24,471
302	Franchises	34,884	0	0	34,884	0	34,884
303	Land and Land Rights	23,732	0	0	23,732	0	23,732
304	Structures and Improvements	59,957	0	0	59,957	59,744	213
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	1,784	40,146	0	41,930	3,120	38,810
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	41,171	0	0	41,171	23,674	17,497
311	Pumping Equipment	139,961	30,823	0	170,784	117,370	53,414
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	4,909	0	0	4,909	4,908	1
320.2	Solution Chemical Feeders	73,038	0	0	73,038	72,721	317
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	296,039	169,830	0	465,869	180,189	285,680
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	1,600,155	187,026	23,500	1,763,681	888,804	874,877
333	Services	72,976	19,500	0	92,476	16,446	76,030
334	Meters and Meter Installations	247,314	177,050	1,000	423,364	171,553	251,811
335	Hydrants	246,610	8,360	0	254,970	90,884	164,086
336	Backflow Prevention Devices	205	0	0	205	158	47
339	Other Plant and Misc. Equipment	39,143	0	0	39,143	38,089	1,054
340	Office Furniture and Equipment	1,027	0	0	1,027	823	204
340.1	Computer & Software	2,186	14,191	0	16,377	2,747	13,630
341	Transportation Equipment	7,720	0	0	7,720	7,720	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	7,898	225	0	8,123	6,005	2,118
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	3,200	1,950	0	5,150	418	4,732
346	Communication Equipment	160,249	0	0	160,249	152,508	7,741
347	Miscellaneous Equipment	4,593	6,233	0	10,826	5,035	5,791
348	Other Tangible Plant	101,115	0	0	101,115	101,115	0
	Totals	\$3,194,337	\$655,334	\$24,500	\$3,825,171	\$1,944,031	\$1,881,140

Yarnell Water Improvement Association, Inc.
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	\$24,471	\$0	\$0	\$24,471	\$0	\$24,471	0.00%	\$0
302	Franchises	34,884	0	0	34,884	\$0	34,884	0.00%	0
303	Land and Land Rights	23,732	0	0	23,732	\$0	23,732	0.00%	0
304	Structures and Improvements	59,957	0	0	59,957	\$0	59,957	3.33%	11
305	Collecting & Improving Reservoirs	0	0	0	0	\$0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	\$0	0	2.50%	0
307	Wells and Springs	1,784	40,146	0	41,930	\$0	41,930	3.33%	668
308	Infiltration Galleries	0	0	0	0	\$0	0	6.67%	0
309	Supply Mains	0	0	0	0	\$0	0	2.00%	0
310	Power Generation Equipment	41,171	0	0	41,171	\$0	41,171	5.00%	2,059
311	Pumping Equipment	139,961	30,823	0	170,784	\$0	170,784	12.50%	7,066
320	Water Treatment Equipment	0	0	0	0	\$0	0	0.00%	0
320.1	Water Treatment Plants	4,909	0	0	4,909	\$0	4,909	3.33%	0
320.2	Solution Chemical Feeders	73,038	0	0	73,038	\$0	73,038	20.00%	18
320.3	Point-of-Use Treatment Devices	0	0	0	0	\$0	0	10.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	\$0	0	0.00%	0
330.1	Storage Tanks	296,039	169,830	0	465,869	\$0	465,869	2.22%	8,457
330.2	Pressure Tanks	0	0	0	0	\$0	0	5.00%	0
331	Transmission and Distribution Mains	1,600,155	187,026	23,500	1,763,681	\$0	1,763,681	2.00%	33,638
333	Services	72,976	19,500	0	92,476	\$0	92,476	3.33%	2,656
334	Meters and Meter Installations	247,314	177,050	1,000	423,364	\$0	423,364	8.33%	21,384
335	Hydrants	246,610	8,360	0	254,970	\$0	254,970	2.00%	5,016
336	Backflow Prevention Devices	205	0	0	205	\$0	205	6.67%	14
339	Other Plant and Misc. Equipment	39,143	0	0	39,143	\$0	39,143	6.67%	406
340	Office Furniture and Equipment	1,027	0	0	1,027	\$0	1,027	6.67%	69
340.1	Computer & Software	2,186	14,191	0	16,377	\$0	16,377	20.00%	561
341	Transportation Equipment	7,720	0	0	7,720	\$0	7,720	20.00%	0
342	Stores Equipment	0	0	0	0	\$0	0	4.00%	0
343	Tools, Shop and Garage Equipment	7,898	225	0	8,123	\$0	8,123	5.00%	400
344	Laboratory Equipment	0	0	0	0	\$0	0	10.00%	0
345	Power Operated Equipment	3,200	1,950	0	5,150	\$0	5,150	5.00%	209
346	Communication Equipment	160,249	0	0	160,249	\$0	160,249	10.00%	10,403
347	Miscellaneous Equipment	4,593	6,233	0	10,826	\$0	10,826	10.00%	367
348	Other Tangible Plant	101,115	0	0	101,115	\$0	101,115	0.00%	0
	Subtotal	\$3,194,337	\$655,334	\$24,500	\$3,825,171	\$0	\$3,825,171		\$93,400

Contribution(s) in Aid of Construction (Gross)	\$1,528,344
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,528,344
Times: Proposed Amortization Rate	2.44%
Amortization of CIAC	\$37,318

Less: Amortization of CIAC **\$37,318**

DEPRECIATION EXPENSE \$56,082

Yarnell Water Improvement Association, Inc.
Annual Report
Balance Sheet Assets
12/31/21

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current and Accrued Assets			
131	Cash		\$433,361	\$329,984
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		32,057	29,514
146	Notes Receivable from Associated Companies		70,351	0
151	Plant Material and Supplies		35,904	17,696
162	Prepayments		6,878	8,658
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$578,551	\$385,852
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$3,194,336	\$3,825,171
103	Property Held for Future Use		0	0
105	Construction Work in Progress		94,800	0
108	Accumulated Depreciation (enter as negative)*		(1,866,585)	(1,944,031)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,422,551	\$1,881,140
	Total Assets		\$2,001,102	\$2,266,992

*Note these items feed automatically from AR3 UPIS Page 4

Yarnell Water Improvement Association, Inc.
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)
Account No.	Current Liabilities			
231	Accounts Payable		\$2,494	\$14,256
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		9,095	9,660
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		1,079	1,079
	Total Current Liabilities		\$12,668	\$24,996
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$639,744	\$623,464
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		14,085	11,599
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,183,567	1,528,344
272	Less: Amortization of Contributions		(195,898)	(270,686)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$1,001,754	\$1,269,257
	Total Liabilities		\$1,654,166	\$1,917,717
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		346,936	349,276
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$346,936	\$349,276
	Total Liabilities and Capital		\$2,001,102	\$2,266,992

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

Yarnell Water Improvement Association, Inc.
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
	Operating Revenue		
461	Metered Water Revenue	\$327,256	\$319,401
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	5,531	5,220
	Total Revenues	\$332,787	\$324,621
	Operating Expenses		
601	Salaries and Wages		\$0
604	Employee Pensions and Benefits		0
610	Purchased Water		0
615	Purchased Power	12,369	12,078
618	Chemicals	405	544
620	Materials and Supplies	807	165
620.1	Repairs and Maintenance	8,078	3,002
620.2	Office Supplies and Expense	6,684	1,878
630	Contractual Services	17,333	0
631	Contractual Services - Engineering	6,201	20,000
632	Contractual Services - Accounting	49,609	47,843
633	Contractual Services - Legal	452	0
634	Contractual Services - Management Fees	113,650	108,663
635	Contractual Services - Water Testing	2,180	1,264
636	Contractual Services - Other	46,042	2,667
640	Rents		0
641	Rental of Building/Real Property		0
642	Rental of Equipment		0
650	Transportation Expenses		0
657	Insurance - General Liability	14,364	13,969
657.1	Insurance - Health and Life		0
665	Regulatory Commission Expense - Rate		0
670	Bad Debt Expense		0
675	Miscellaneous Expense	(16,396)	(47,055)
403	Depreciation Expense (From Schedule AR4)	56,082	78,289
408	Taxes Other Than Income		0
408.11	Property Taxes	14,652	14,102
409	Income Taxes		0
427.1	Customer Security Deposit Interest	220	247
	Total Operating Expenses	\$332,732	\$257,656
	Operating Income / (Loss)	\$55	\$66,965
	Other Income / (Expense)		
419	Interest and Dividend Income	\$25	\$25
421	Non-Utility Income	5,620	5,615
426	Miscellaneous Non-Utility (Expense)	9,729	(13,811)
427	Interest (Expense)	(13,468)	0
	Total Other Income / (Expense)	\$1,906	(\$8,171)
	Net Income / (Loss)	\$1,961	\$58,794

Yarnell Water Improvement Association, Inc.
Annual Report
Full time equivalent employees
12/31/21

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1.0			1.0
Vice-president	1.0			1.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)	1.0			1.0
Meter reader				0.0
Customer Service	1.0			1.0
Accounting	1.0			1.0
Business Office	1.0			1.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	6.0	0.0	0.0	6.0

Yarnell Water Improvement Association, Inc.
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	9/27/2003			
Source of Loan	USDA RURAL			
ACC Decision No.	NA			
Reason for Loan	LOAN PAYOFF			
Dollar Amt. Issued	\$748,656			
Amount Outstanding	\$623,464			
Date of Maturity	11/28/2048			
Interest Rate	2.13%			
Current Year Interest	\$13,468			
Current Year Principal	\$16,280			

Meter Deposit Balance at Test Year End:	\$11,599
---	----------

Meter Deposits Refunded During the Test Year:	\$1,062
---	---------

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:	YARNELL WATER IMPROVEMENT ASSN	
ADWR PCC Number:	91-000642.0000	
Source of water delivered to another system	NA	
Name of system water received from:	NA	
ADWR PCC Number:	#N/A	
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) ⁷
January	2,058,899.00	1,232,560.00	0.00	0.00	607,200.00	\$872	7,678
February	1,397,651.00	1,214,580.00	0.00	0.00	39,450.00	751	6,140
March	1,312,768.00	1,184,140.00	0.00	0.00	28,400.00	678	5,267
April	2,606,705.00	1,903,560.00	0.00	0.00	485,300.00	795	6,447
May	2,287,381.00	2,015,170.00	0.00	0.00	43,200.00	1,142	10,680
June	3,403,542.00	2,901,300.00	0.00	0.00	256,160.00	1,138	11,181
July	2,900,542.00	2,465,770.00	0.00	0.00	259,200.00	1,403	14,316
August	1,920,287.00	1,580,500.00	0.00	0.00	213,120.00	1,236	12,314
September	2,822,871.00	2,432,940.00	0.00	0.00	172,800.00	731	5,323
October	1,782,456.00	1,415,720.00	0.00	0.00	216,000.00	1,082	9,781
November	2,010,076.00	1,843,220.00	0.00	0.00	72,000.00	936	8,218
December	1,438,945.00	1,276,994.00	0.00	0.00	38,880.00	860	7,196
Totals	25,942,123.00	21,466,454.00	0.00	0.00	2,431,710.00	\$11,623	104,541

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:	YARNELL WATER IMPROVEMENT ASSN		
ADEQ Public Water System Number:	AZ0413057		
ADWR PCC Number:	91-000642.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	0
3.00	PVC	0
4.00	PVC	7,180
6.00	PVC	62,920
8.00	CONCRETE	18,480
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	494	0%	0%
1	6	0%	0%
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			

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

BOOSTER PUMPS		
Horsepower	GPM	Quantity
25	120	2

FIRE HYDRANTS	
Type	Quantity
Standard *	77
Other	7

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
250,000	STEEL	2	1974
40,000	STEEL	1	
15,000	STEEL	1	

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	STEEL	1	

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	PULSATION, CHLORINATOR
STRUCTURES:	WELL HOUSE, BOOSTER PUMP/WELL HOUSE, CHLORINE ROOM, OFFICE, YARD SHOP
OTHER:	NONE

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
- (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

115

Method used:

(a)

Customer and Other Information	
Name of the System:	YARNELL WATER IMPROVEMENT ASSN
ADEQ Public Water System Number:	AZ0413057
ADWR PCC Number:	91-000642.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	489	0	35	0	1
February	477	0	34	0	1
March	489	0	34	0	0
April	488	0	34	0	0
May	485	0	34	0	0
June	476	0	33	0	7
July	486	0	33	0	2
August	483	0	34	0	2
September	476	0	31	0	0
October	473	0	34	0	0
November	477	0	34	0	1
December	473	0	34	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.

Yarnell Water Improvement Association, Inc.
Annual Report
Utility Shutoffs / Disconnects
12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	YARNELL WATER IMPROVEMENT ASSN
ADEQ Public Water System Number:	AZ0413057
ADWR PCC Number:	91-000642.0000

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 2021 was	\$14,652

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): Yavapai
Name (owner or official) title: STEVEN KREMER - TREASURER
Company name: Yarnell Water Improvement Association, Inc.

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.

ATK

signature of owner/official

860-933-4606

telephone no.

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

THIS

11th

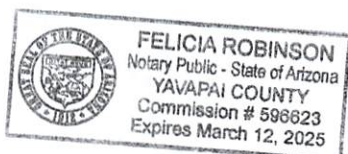
DAY OF

Yavapai
(county name)
March, 2022
(month) and (year)

MY COMMISSION EXPIRES

3/12/25
(date)

Felicia Robinson
(signature of notary public)



Verification and Sworn Statement

Verification:

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

County of (county name):

Yavapai

Name (owner or official) title:

STEVEN KREMER - TREASURER

Company name:

Yarnell Water Improvement Association, Inc.

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 (\$)

\$353,888

(The amount in the box above includes

\$21,101 in sales taxes

billed or collected)

[Signature]
signature of owner/official

860-933-4606

telephone no.

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

THIS

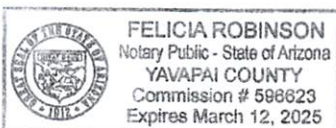
11th

DAY OF

Yavapai
(county name)
March, 2022
(month) and (year)

MY COMMISSION EXPIRES

3/12/25
(date)



[Signature]
(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): Yavapai
Name (owner or official) title: STEVEN KREMER - TREASURER
Company name: Yarnell Water Improvement Association, Inc.

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 (\$)

\$353,888

(The amount in the box above includes

\$21,101 in sales taxes
billed or collected)

AKL
signature of owner/official

860-933-4606
telephone no.

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

Yavapai
(county name)

THIS

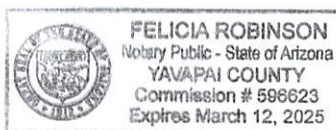
11th

DAY OF

March, 2022
(month) and (year)

MY COMMISSION EXPIRES

3/12/25
(date)



Felicia Robinson
(signature of notary public)

Yarnell Water Improvement Association, Inc.
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:

STEVEN KREMER - TREASURER

Company name:

Yarnell Water Improvement Association, Inc.

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.



signature of owner/official

860-933-4606

telephone no.

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

Yavapai

(county name)

THIS

11th

DAY OF

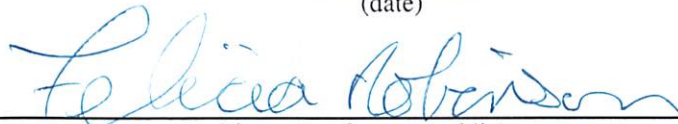
March, 2022

(month) and (year)

MY COMMISSION EXPIRES

3/12/25

(date)



(signature of notary public)

