ANNUAL REPORT

Of

Company Name:

Arroyo Water Company, Inc.

PO Box 3077

Mailing Address:

Payson

AZ

85541

RECEIVED BY EMAIL

Docket No.:

W-04286A

5/13/2020, 01:51 PM

For the Year Ended:

12/31/19

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: 5/13/2020

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Arroyo Water Company, Inc. A Class E Utility

For the Calendar Year E	inded: <u>12/31/19</u>				
Delegan Address	PO BOX 2389			_	
Primary Address:		Ct-t	[A -!	7:n Codo	10,000
City:	PRESCOTT	State:	Arizona	Zip Code:	86302
Telephone Number:	928-445-5606				
Date of Original Organiz	zation of Utility:]		
Person to whom correct	ondence should be addressed	l concerning thi	is report:		
	CHERYL IBBOTSON	concerning un	is report.		
Telephone No. :					
	302 W WILLIS STREET; SU	ITE 203			
	PRESCOTT		Arizona	Zip Code:	86301
Email:	arroyiowateraz@gmail.com				
·					
L	k				
Name:					
Telephone No. : Address:				•	
Address: City:		State:	INA	Zip Code:	INA
Email:		State.		Zip code.	
Dilluii.					
	· · · · · · · · · · · · · · · · · · ·				
Name:	NA				
Telephone No.:	NA				
Address:					· · · · ·
City:		State:	NA	Zip Code:	NA
Email:	NA				
Name:	NA	ľ			
Telephone No. :					
Address:					
City:		State:	NA	Zip Code:	NA
Email:	NA				
					-
Name:					
Telephone No.:					
Address:		Charles	ls.r.a	Zin Code	INTA
City:		State:	INA	Zip Code:	INA
Email:	INA	<u></u>			
Ownership:	"S" Corporation				
=					!
Counties Served:	Gila				İ
					Page 2

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Arroyo Water Company, Inc.

	Important changes during the year
For those c year?	ompanies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the
If yes, plea	se provide specific details in the box below.
1. J. 2., p	
İ	
1	
L	
Has the cor	npany been notified by any other regulatory authorities during the year, that they are out of compliance?
If yes, plea	se provide specific details in the box below.
3. 7. 3. p	
ı	

Utility Plant in Service (Water)										
Account	Description	Beginning Year	Current Year	Current Year	Adjusted Original	Accumulated	OCLD (OC less			
No.	·	Original Cost	Additions	Retirements	Cost	Depreciation	AD)			
301	Organization	\$40,000	\$0	\$0	\$40,000	\$0	\$40,000			
302	Franchises	0	\$0	\$0	0	0	0			
303	Land and Land Rights	0	\$0	\$0	0	0	0			
304	Structures and Improvements	9,600	\$0	\$0	9,600	9,202	398			
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	10,000	\$0	\$0	10,000	10,000	0			
308	Infiltration Galleries	0	\$0	\$0	0	0	0			
309	Supply Mains	0	\$0	\$0	0	0	0			
310	Power Generation Equipment	10,000	\$0	\$0	10,000	7,900	2,100			
311	Pumping Equipment	39,500	\$0	\$0	39,500	35,201	4,299			
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	12,000	\$0	\$0	12,000	12,000	0			
330.2	Pressure Tanks	3,000	\$0	\$0	3,000	3,000	0			
331	Transmission and Distribution Mains	464,224	\$0	\$0	464,224	315,671	148,553			
333	Services	65,000	\$0	\$0	65,000	65,000	0			
334	Meters and Meter Installations	19,500	\$0	\$0	19,500	19,500	0			
335	Hydrants	0	\$0	\$0	0	0	0			
336	Backflow Prevention Devices	3,000	\$0	\$0	3,000	2,201	799			
339	Other Plant and Misc. Equipment	1,550	\$0	\$0	1,550	1,550	0			
340	Office Furniture and Equipment	1,500	\$0	\$0	1,500	1,500	0			
340.1	Computer & Software	2,000	\$0	\$0	2,000	466	1,534			
341	Transportation Equipment	0	\$0	\$0	0	0	0			
342	Stores Equipment	0	\$0	\$0	0	0	0			
343	Tools, Shop and Garage Equipment	8,000	\$0	\$0	8,000	8,000	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	\$688,874	\$0	\$0	\$688,874	\$491,191	\$197,683			

Arroyo Water Company, Inc. Annual Report Depreciation Expense for the Current Year (Water) 12/31/19

		Dep	reciation Expense						
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	\$40,000	\$0	\$0	\$40,000		\$40,000		\$0
	Franchises	0	0	0	0		0		9
	Land and Land Rights	0	0	0	0		0		(
	Structures and Improvements	9,600	0	0	9,600		9,600		320
	Collecting & Improving Reservoirs	0	0	0	0		0		9
	Lake, River, Canal Intakes	0	0	0	0		0		(
307	Wells and Springs	10,000	0	0	10,000		10,000		(
	Infiltration Galleries	0	0	0	0		0		(
	Supply Mains	0	0	0	0		0		(
	Power Generation Equipment	10,000	0	0	10,000		10,000		500
311	Pumping Equipment	39,500	0	0	39,500		39,500		4,938
320	Water Treatment Equipment	0	0	0	0		0_		(
320.1	Water Treatment Plants	0	0	0	0		0		
320.2	Solution Chemical Feeders	0	0	0	0		0		
320.3	Point-of-Use Treatment Devices	0	0	0	0		0		
330	Distribution Reservoirs and Standpipes	0	0	0	0		0		(
330.1	Storage Tanks	12,000	0	0	12,000		12,000		
330.2	Pressure Tanks	3,000	0	0	3,000		3,000		
331	Transmission and Distribution Mains	464,224	0	0	464,224		464,224		9,28
333	Services	65,000	0	0	65,000		65,000		
334	Meters and Meter Installations	19,500	0	0	19,500		19,500		
335	Hydrants	0	0	0	0		0		
336	Backflow Prevention Devices	3,000	0	0	3,000		3,000		20
339	Other Plant and Misc. Equipment	1,550	ō	0	1,550		1,550		
340	Office Furniture and Equipment	1,500	0	0	1,500		1,500		T .
340.1	Computer & Software	2,000	Ö	0	2,000		2,000		13
340.1	Transportation Equipment	2,000	0	0	0		0		
342	Stores Equipment	- <u>ŏ</u>	0	Ō	0		0		
343	Tools, Shop and Garage Equipment	8,000	0	0	8,000		8,000		
344	Laboratory Equipment	0,000	Ů Ö	0	0		0		
345	Power Operated Equipment	l ö	0	0	0	T	0		
345	Communication Equipment	- ŏ	<u> </u>	0	ō	 	0		
347	Miscellaneous Equipment	i i	0	0	0		0		
348	Other Tangible Plant	1 0	0	0	Ö		0		
346	Subtotal	\$688,874	<u>so</u>	\$0	\$688,874	\$0	\$688,874		\$15,37

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

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$15,375

\$0 2.23% Arroyo Water Company, Inc. 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	\$822	\$665
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	5,259	10,424
146	Notes Receivable from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	Total Current and Accrued Assets	\$6,081	\$11,089
Account No.	Fixed Assets		
101	Utility Plant in Service*	\$686,874	\$686,874
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation (enter as negative)*	(498,339)	
121	Non-Utility Property	90,000	90,000
122	Accumulated Depreciation - Non Utility	(21,000)	
	Total Fixed Assets	\$257,535	\$258,683
	Total Assets	\$263,616	\$269,772

*Note these items feed automatically from AR3 UPIS Page 4

Arroyo Water Company, Inc. Annual Report 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	\$56,736	\$57,309
232	Notes Payable (Current Portion)		
234	Notes Payable to Associated Companies		46,510
235	Customer Deposits	1,711	1,658
236	Accrued Taxes		32,867
237	Accrued Interest		
242	Miscellaneous Current and Accrued Liabilities		212
	Total Current Liabilities	\$58,447	\$138,556
	Long Term Debt		
224	Long Term Debt (Notes and Bonds)		<u> </u>
	Deferred Credits		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	4,509	4,922
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	\$4,509	\$4,922
	Total Liabilites	\$62,956	\$143,478
	Capital Accounts		
201	Common Stock Issued		:
211	Other Paid-In Capital		
215	Retained Earnings	200,660	0
218	Proprietary Capital (Sole Props and Partnerships)		
	Total Capital	\$200,660	\$126,294
-	Total Liabilities and Capital	\$263,616	\$269,772

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

	Calandan Vaan	Current Year	Last Year
Account No.	Calendar Year	•	01/01/2018 - 12/31/2018
	On anoting Paranus	01/01/2019 - 12/31/2019	01/01/2016 - 12/31/2016
461	Operating Revenue Metered Water Revenue	\$38,511	\$33,021
460	Unmetered Water Revenue	\$30,311	/ .
462	Fire Protection Revenue	· · · · · · · · · · · · · · · · · · ·	
469	Guaranteed Revenues (Surcharges)	17,704	18,373
471	Miscellaneous Service Revenues	661	10,010
471	Other Water Revenue	255	909
4/4	Total Revenues	\$57,131	\$52,303
	Total Revenues	037,101	
601	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water	3,549	3,867
615	Purchased Power		3,007
618	Chemicals	1,126	3,623
620	Materials and Supplies		3,02.
620.1	Repairs and Maintenance	9,290	2.524
620.2	Office Supplies and Expense	1,946	2,520
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	5,962	6,91
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	30,000	30,000
635	Contractual Services - Water Testing	1,080	3,04
636	Contractual Services - Other	5,210	5,533
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment	300	540
650	Transportation Expenses	1,611	3,28
657	Insurance - General Liability	1,891	1,863
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate	6,000	
670	Bad Debt Expense		
675	Miscellaneous Expense	45	T T
403	Depreciation Expense (From Schedule AR4)	15,375	15,44
408	Taxes Other Than Income		
408.11	Property Taxes	1,939	
409	Income Taxes		
427.1	Customer Security Deposit Interest	38	
72/.1	Total Operating Expenses	\$85,361	\$76,64
	1 Otal Operating Expenses		
	Operating Income / (Loss)	(\$28,230)	(\$24,34
	Cherating Income / (Loss)	(020,200)	(4-1)-1
	Other Income / (Expense)		
419	Interest and Dividend Income		
419	Non-Utility Income	26	2
421		20	
426	Miscellaneous Non-Utility (Expense) Interest (Expense)	(5)	(2
421		\$21	(\$
	Total Other Income / (Expense)	\$21	(9
	•	I .	

Arroyo Water Company, Inc. Annual Report Full time equivalent employees 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	1.0	1.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	1.0	1.0
Meter reader	0.0	0.0	1.0	1.0
Customer Service	0.0	0.0	2.0	2.0
Accounting	0.0	0.0	1.0	1.0
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	0.0	6.0	6.0

Arroyo Water Company, Inc. 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	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:	\$4,922

Meter Deposits Refunded During the Test Year:	\$671	

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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.

Arroyo Water Company, Inc. Annual Report Well and Water Usage 12/31/19

				Well and Wat	er Usage						
Name of the System:		ARROYO WATER	CO INC				1				
ADEQ Public Water Syst		100101011111	AZ0404083				•				
ADWR PCC Number:	em moon.		91-000151.0000								
Well registry 55# (55-	r	T	Casing Depth	Casing Diameter	Pump Motor	Year	Water level	Water level	Meter Size	How	
805-621):	Pump Horsenower	Pump Yield (gpm)		(inches)	Type **	Drilled	2010	2019	(inches)	measured:	Active
	53		61'	19"	N/A	1996					
											
, , , , , , , , , , , , , , , , , , , ,										-	
	 										
											
			<u> </u>							L	<u> </u>
							-				
Name of system water de	livered to:	ARROYO WATE					J				
ADWR PCC Number:			91-000151.0000								
Source of water delivered to another system								!			
							1				
Name of system water ro	ceived from:						J				
ADWR PCC Number					J				1		
Source of water received				1							
Well registry 55# (55-XX	OXXXXX):	<u> </u>		j							

			Water delivered	Water received (purchased) from	Estimated	Purchased	Purchased
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Power	Power
Month	(gallons)1	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense ⁶	(kWh) ⁷
January	1,359,715,00	706,015.00	0.00	0.00	0.00	\$213	
February	642,450.00	301,250.00	0.00	0.00	0.00	210	
March	949,281,00	465,987.00	0.00	0.00	0.00	142	
April	603,572.00	318,866.00	0.00	0.00	0.00	139	
May	1,724,656.00	817,856.00	0.00	0.00	0.00	272	
June	1,735,607.00	818,307.00	0.00	0.00	0.00	362	
July	1,847,950.00	1,197,850.00	0.00	0.00	0.00	437	
August	2,452,459.00	1,190,514.00	0.00	0.00	0.00	420	
September	1,156,845.00	1,156,845.00	0.00	0.00	0.00	321	
October	870,401.00	870,401.00	0.00	0.00	0.00	338	
November	882,589.00	882,589.00	0.00	0.00	0.00	276	
December	774,298.00	774,298.00	0.00	0.00	0.00	214	
Totals	14,999,823,00	9,500,778,00	0.00	0.00	0.00	\$3,344	

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
If approaches in the opace before provide a second-provide and an arrangement of the provided and arrangement of the provided arrangement
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 (numbered) from other systems. Total callons of water purchased/scoreived 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.

Arroyo Water Company, Inc. Annual Report Water Utility Plant Description 12/31/19

	Water Utility Plant Description	
Name of the System:	ARROYO WATER CO INC	
ADEQ Public Water System Number:	AZ0404083	
ADWR PCC Number:	91-000151.0000	

MAINS				
Sizes (inches)	Material	Length (feet)		
2.00	PVC	2,000		
3.00	PVC	6,200		
 				

SERVICE LINES				
Material	Percent of system	Year installed		
		-		
· · · · · · · · · · · · · · · · · · ·				
				

CUSTOMER METERS					
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old		
5/8 X 3/4	146	36%	89%		
		L			

BOOSTER PUMPS					
Horsepower	GPM	Quantity			
5	0	1			
5	0	1			

	STORAGE TANKS		
Capacity (gallons)	Material	Quantity	Year installed
11,000			1

FIRE HYDRANTS		
Type Quantity		
Standard * 0		
Other	0	

PRESSURE/BLADDER TANKS					
Material	Quantity	Year installed			
	1				
		-			
֡֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜		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.

Arroyo Water Company, Inc. Annual Report
Water Utility Plant Description (Continued) 12/31/19

OPERATION COMPANY PROVIDES EQUIPMENT & MATERIALS SUCH AS BACKHOW, TRENCHERS, GENRATORS, ETC.		N/A
OPERATION COMPANY PROVIDES EQUIPMENT & MATERIALS SUCH AS BACKHOW, TRENCHERS, GENRATORS, ETC.		
OPERATION COMPANY PROVIDES EQUIPMENT & MATERIALS SUCH AS BACKHOW, TRENCHERS, GENRATORS, ETC.		CHAIN LINE SENCE SUPPOLINDING WELL SITE
	STRUCTURES:	
GENRATORS, ETC.		
	OTHER:	

- gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- If no historical flow data are available, use: (b)
- ERC = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC · Method used:

	NA
Other	

Arroyo Water Company, Inc. Annual Report Customer and Other Information 12/31/19

Customer and Other Information					
Name of the System:	ARROYO WATER CO	INC			
ADEQ Public Water System Number:	AZ04	04083			
ADWR PCC Number:	91-00	0151.0000			

	Number of Customers						
Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non- Residential		
January	138	0	0	0	0		
February	143	0	0	0	0		
March	146	0	0	0	0		
April	145	0	0	0	0		
May	147	0	0	0	0		
June	148	0	0	0	0		
July	148	0	0	0	0		
August	149	0	0	0	0		
September	148	0	0	0	0		
October	148	0	0	0	0		
November	144	0	0	0	0		
December	146	0	0	0	0		

·
If the system has fire hydrants, what is the fire flow requirements? N/A GPM for hrs.
Does the system have chlorination treatment?
Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement? No No
Is the Water Utility located in an ADWR Active Management Area (AMA)? No 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.

Arroyo Water Company, Inc. Annual Report Utility Shutoffs / Disconnects 12/31/19

	Utility Shutoffs / Disconne	cts
Name of the System:	ARROYO WATER CO INC	
ADEQ Public Water Sy	ystem Number:	AZ0404083
ADWR PCC Number:		91-000151.0000

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	410.C	Other
January		1	
February		6	
March		0	
April		0	
May		2	
June		0	
July		0	
August		0	
September		2	
October		0	
November		0	
December		0	
Total	0	11	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.

Beaver Valley Water Company, Inc. Annual Report Property Taxes 12/31/19

or there is no applicable information to report.

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$0
If no property taxes paid, explain why.	
The County will not accept any current property tax payments until all delinquent payments account has beenestablished to begin making payments on delinquent taxe	

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account

Page 16

Arroyo Water Company, Inc. Annual Report Verification and Sworn Statement (Taxes) 12/31/19

		Verification	and Sworn Stateme	ent (Taxes)		
Verification:		te name)	I, the undersigned	of the		
	County of (county name): Name (owner or official) title Company name:	e: Arroyo Water Co	Yavapai Michael Armstead mpany, Inc.			
	DO SAY THAT THIS ANN COMMISSION.	UAL UTILITY PR	OPERTY TAX AN	D SALES TAX I	REPORT TO TH	E ARIZONA CORPORATION
	FOR THE YEAR ENDING:		12/31/19			
	CORRECT STATEMENT C	AREFULLY EXA OF BUSINESS AN EACH AND EVE	MINED THE SAM D AFFAIRS OF SA	E, AND DECLA ID UTILITY FO	RE THE SAME R THE PERIOD	TO BE A COMPLETE AND
,					-	
Sworn Statement:						
			1			_
	RECEIVED		Myc	Lal (Inote	ad
	BY EMAIL			signati	ure of owner/offi	cial
	5/13/2020, 01:51				928-951-4000	
ARIZO	NA CORPORATION CO UTILITIES DIVISION				telephone no.	,
	OTILITIES DIVISIO		AND SWORN TO B	EFORE ME A N	NOTARY PUBLI	Ch ve pai
		THIS	13th		_DAY OF	(county name) (month) and (year)
		MY COMMISSI	ON EXPIRES		March	12,2021
				Feli	cia R	binson
	FELICIA ROBINSON Notary Public - State of Artzona YAVAPAI COUNTY My Commission Expires March 12, 2021				(signature of	notary public)

Arroyo Water Company, Inc. Annual Report Verification and Sworn Statement 12/31/19

		Verification and Sworn Stateme	ent
Verification:			
	State of Arizon	I, the undersigned of t	he
	(state nar		
	County of (county name):	Yavapai	
	Name (owner or official) title:	Michael Armstead	
	Company name:	Arroyo Water Company, Inc.	
			OLL DO TAN DEPONT TO THE ADIZONA
			SALES TAX REPORT TO THE ARIZONA
	CORPORATION COMMISSION	•	
	FOR THE VEAR ENDING	12/21/10	
	FOR THE YEAR ENDING:	12/31/19	
	THAS REEN PREPARED UNDER	MY DIRECTION, FROM THE OF	RIGINAL BOOKS, PAPERS AND RECORDS OF SAID
	LITILITY: THAT I HAVE CARE	FULLY 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	H AND EVERY MATTER AND TH	HING SET FORTH, TO THE BEST OF MY
	KNOWLEDGE, INFORMATION		
	KNOWEEDGE, IN CHAIRMAN	THILD BEBIEL	
Sworn Statement:	IN ACCORDANCE WITH THE	REQUIREMENTS OF TITLE 40, A	RTICLE 8, SECTION 40-401, ARIZONA REVISED
	STATUTES, IT IS HEREIN REP	ORTED THAT THE GROSS OPER	RATING REVENUE OF SAID UTILITY DERIVED
	FROM ARIZONA INTRASTATI	E UTILITY OPERATIONS DURIN	G THE CALENDAR YEAR WAS:
		Arizona Intrastate Gr	ross Operating Revenues Only (\$)
			\$58,993
		(The amount in the bo	
	5565		\$2,598 in sales taxes
	RECEIV	billed or collected)	
	BY EMA	П	1 1 1 1 1 -1 -1
			MI ele (Musting (
	5/13/2020, 01:	51 PM	The activities of
7	ARIZONA CORPORATIO	N COMMISSION	signature of owner/official
	UTILITIES DIV	ISION	020.051.4000
			928-951-4000
			telephone no.
	,	CURCOURED AND SWODN TO B	BEFORE ME A NOTARY PUBLIC •
		IN AND FOR THE COUNTY	La la de
	,	IN AND FOR THE COUNTY	(county name)
	,	тніѕ 3	DAY OF May 2020
		11113	(month) and (year)
			1 / () Constant (
	,	MY COMMISSION EXPIRES	March 12, 2021
and the same of th	EELICIA ROBINSON	TI COMMISSION EXTINES	(date)
ST THE STATE OF TH	Motory Public - State of Arizona	50	01:
[(\rac{1}{2})]	YAVAPAI COUNTY My Commission Expires		+ 1/a
Carl.	March 12, 2021	7	texted 10 years
lance court trem emissions	e very gent dotter vikus dann die doorstelle, doorde op natuus yn method. Very opgevoorgen van de trommend		(signature of notary public)
			, <u> </u>

Arroyo Water Company, Inc. Annual Report Verification and Sworn Statement (Residential Revenue) 12/31/19

	X7 10 41	1.0	Statement (Desidential	I Davianua)	•
V 10		and Sworn	Statement (Residential	(Kevenue)	
Verification:	State of Arize (state n		I, the undersigned of th	e	
	County of (county name): Name (owner or official) title: Company name:	Arroyo Wat	Yavapai Michael Armstead er Company, Inc.		
ii.	DO SAY THAT THIS ANNUL CORPORATION COMMISSION		PROPERTY TAX AND	SALES TAX REPORT	TO THE ARIZONA :
	FOR THE YEAR ENDING:	12/31/19)		
	HAS BEEN PREPARED UND OF SAID UTILITY; THAT I H A COMPLETE AND CORRE PERIOD COVERED BY THIS FORTH, TO THE BEST OF M	HAVE CARE CT STATEM S REPORT II	FULLY EXAMINED T IENT OF BUSINESS AT N RESPECT TO EACH	HE SAME, AND DECL ND AFFAIRS OF SAID AND EVERY MATTEI	ARE THE SAME TO BE UTILITY FOR THE
Sworn Statement:	IN ACCORDANCE WITH TH REVISED STATUTES, IT IS UTILITY DERIVED FROM A RESIDENTIAL CUSTOMERS	HEREIN RE ARIZONA IN	PORTED THAT THE G TRASTATE UTILITY (ROSS OPERATING REOPERATIONS RECEIV	EVENUE OF SAID
ARIZO	Arizona Intrast RECEIVED BY EMAIL 5/13/2020, 01:51 PN NA CORPORATION COM	1	(The amount in the box	sabove includes \$2,598 in sales taxes Light Signature of ow	
7111201	UTILITIES DIVISION			928-951-	
	CHETTLS DIVISION	CLIDCODID	DED AND SWORN TO I	telephon	
			OR THE COUNTY	your	ounty name)
		THIS	135	DAY OF	(month) and (year)
7 %		MY COMN	MISSION EXPIRES	March (date)	12,2021
	FELICIA ROBINSON Notary Public - State of Arizona YAVAPAI COUNTY My Commission Expires		Felic	(signature of notary pub	uison lic)
180	March 12, 2021				

Arroyo Water Company, Inc. Annual Report Full Gross-up Method for Income Tax Statement of Certification

12/31/19	
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): Name (owner or official) title: Company name: Yavapai Michael Armstead Arroyo Water Company, Inc.	
FOR THE YEAR ENDING: 12/31/19	
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATUTILITY HAS NOT INCURRED NOR IS EXPECTED TO INCUR A NET INCREASE IN TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWAY GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE RECEPTION BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.	TE THAT THE CURRENT INCOME ARD ACCORDING TO
RECEIVED BY EMAIL 5/13/2020, 01:51 PM ARIZONA CORPORATION COMMISSION RECEIVED signature of own 928-951-4 telephone	000
SUBSCRIBED AND SWORN TO BEFORE ME A NOTAR IN AND FOR THE COUNTY THIS DAY OF	Y PUBLIC Day ounty name)
MY COMMISSION EXPIRES Harch (date) FELICIA ROBINSON Motary Public - State of Arizona	(month) and (year)
My Commission Expires March 12, 2021 (signature of notary publ	ic)