

ANNUAL REPORT

Of

Company Name: Ash Fork Development Association, Inc. DBA Ash Fork Water Service
PO Box 436

Mailing Address: Ash Fork AZ
86320-0436

Docket No.: W-01004B
For the Year Ended: 12/31/19

**RECEIVED
BY EMAIL**

6/08/2020 03:48 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: Original Filing

Application Date: 5/22/2020

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Ash Fork Development Association, Inc. DBA Ash Fork Water Service
A Class Utility

For the Calendar Year Ended: 12/31/19

Primary Address:

PO Box 436		
City: Ash Fork	State: Arizona	Zip Code: 86320

Telephone Number:

928-637-2774

Date of Original Organization of Utility:

1967

Person to whom correspondence should be addressed concerning this report:

Name:

Lewis Hume

Telephone No. :

928-637-0394

Address:

PO Box 436		
City: Ash Fork	State: Arizona	Zip Code: 86320

Email:

lewishume60@gmail.com

On-Site Manager

Name:

Lewis Hume

Telephone No. :

928-637-0394

Address:

PO Box 436		
City: Ash Fork	State: Arizona	Zip Code: 86320

Email:

lewishume60@gmail.com

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Name:

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Telephone No. :

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Address:

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City:

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 State:

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 Zip Code:

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Email:

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Name:

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Telephone No. :

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Address:

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City:

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 State:

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 Zip Code:

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Email:

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Name:

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Telephone No. :

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Address:

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City:

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 State:

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 Zip Code:

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Email:

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Ownership:

Association--Cooperative

Counties Served:

Yavapai

Important changes during the year
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No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
 Annual Report
 Utility Plant in Service (Water)
 12/31/19

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	55,443	0	0	55,443	0	55,443
304	Structures and Improvements	86,125	0	0	86,125	69,875	16,250
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	508,699	0	0	508,699	412,720	95,979
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	318,014	0	0	318,014	318,014	0
320	Water Treatment Equipment	0	129,312	0	129,312	8,082	121,230
320.1	Water Treatment Plants	64,137	0	0	64,137	52,037	12,100
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	107,780	0	0	107,780	73,039	34,741
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	1,143,165	0	0	1,143,165	546,244	596,921
333	Services	12,032	0	0	12,032	7,546	4,486
334	Meters and Meter Installations	30,749	0	0	30,749	25,621	5,128
335	Hydrants	13,595	0	0	13,595	4,723	8,872
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	7,655	0	0	7,655	2,718	4,937
340	Office Furniture and Equipment	24,744	0	0	24,744	24,300	444
340.1	Computer & Software	1,428	0	0	1,428	1,428	0
341	Transportation Equipment	49,394	22,000	17,500	53,894	32,569	21,325
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	36,575	0	0	36,575	25,950	10,625
344	Laboratory Equipment	701	0	0	701	350	351
345	Power Operated Equipment	15,918	0	0	15,918	3,980	11,938
346	Communication Equipment	48,852	0	0	48,852	48,852	0
347	Miscellaneous Equipment	75	0	0	75	20	56
348	Other Tangible Plant	73,330	0	0	73,330	73,330	0
	Totals	\$2,598,411	\$151,312	\$17,500	\$2,732,223	\$1,731,396	\$1,000,827

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
 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	0.00%	\$0
302	Franchises	\$0	\$0	\$0	\$0	0	0	0.00%	0
303	Land and Land Rights	\$55,443	\$0	\$0	\$55,443	55,443	0	0.00%	0
304	Structures and Improvements	\$86,125	\$0	\$0	\$86,125	0	86,125	3.33%	2,868
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	\$508,699	\$0	\$0	\$508,699	0	508,699	3.33%	16,940
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	\$318,014	\$0	\$0	\$318,014	250,206	67,808	12.50%	3,395
320	Water Treatment Equipment	\$0	\$129,312	\$0	\$129,312	0	129,312	12.50%	8,082
320.1	Water Treatment Plants	\$64,137	\$0	\$0	\$64,137	0	64,137	3.33%	2,136
320.2	Solution Chemical Feeders	\$0	\$0	\$0	\$0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	\$0	\$0	\$0	\$0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	\$0	\$0	\$0	\$0	0	0	0.00%	0
330.1	Storage Tanks	\$107,780	\$0	\$0	\$107,780	0	107,780	2.22%	2,393
330.2	Pressure Tanks	\$0	\$0	\$0	\$0	0	0	5.00%	0
331	Transmission and Distribution Mains	\$1,143,165	\$0	\$0	\$1,143,165	0	1,143,165	2.00%	22,863
333	Services	\$12,032	\$0	\$0	\$12,032	0	12,032	3.33%	401
334	Meters and Meter Installations	\$30,749	\$0	\$0	\$30,749	18,200	12,549	8.33%	1,045
335	Hydrants	\$13,595	\$0	\$0	\$13,595	0	13,595	2.00%	272
336	Backflow Prevention Devices	\$0	\$0	\$0	\$0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	\$7,655	\$0	\$0	\$7,655	0	7,655	6.67%	511
340	Office Furniture and Equipment	\$24,744	\$0	\$0	\$24,744	24,208	536	6.67%	36
340.1	Computer & Software	\$1,428	\$0	\$0	\$1,428	589	839	20.00%	168
341	Transportation Equipment	\$49,394	\$22,000	\$17,500	\$53,894	20,364	33,530	20.00%	6,256
342	Stores Equipment	\$0	\$0	\$0	\$0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	\$36,575	\$0	\$0	\$36,575	0	36,575	5.00%	1,829
344	Laboratory Equipment	\$701	\$0	\$0	\$701	0	701	10.00%	70
345	Power Operated Equipment	\$15,918	\$0	\$0	\$15,918	0	15,918	5.00%	796
346	Communication Equipment	\$48,852	\$0	\$0	\$48,852	48,852	0	10.00%	0
347	Miscellaneous Equipment	\$75	\$0	\$0	\$75	0	75	10.00%	8
348	Other Tangible Plant	\$73,330	\$0	\$0	\$73,330	73,330	0	10.00%	0
	Subtotal	\$2,598,411	\$151,312	\$17,500	\$2,732,223	\$491,192	\$2,241,031		\$70,067

Contribution(s) in Aid of Construction (Gross) \$794,395
 Less: Non Amortizable Contribution(s) 0
 Fully Amortized Contribution(s) 0
 Amortizable Contribution(s) \$794,395
 Times: Proposed Amortization Rate 3.13%
 Amortization of CIAC \$24,837

Less: Amortization of CIAC \$24,837
DEPRECIATION EXPENSE \$45,230

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
 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		\$5,995	\$6,943
134	Working Funds		0	0
135	Temporary Cash Investments		110,408	112,987
141	Customer Accounts Receivable		7,541	7,788
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$123,944	\$127,718
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,598,411	\$2,732,223
103	Property Held for Future Use		1,949,000	1,949,000
105	Construction Work in Progress		91,750	0
108	Accumulated Depreciation (enter as negative)*		(1,678,830)	(1,731,396)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$2,960,331	\$2,949,827
	Total Assets		\$3,084,275	\$3,077,545

*Note these items feed automatically from AR3 UPIS Page 4

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
 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		\$1,086	\$8,696
232	Notes Payable (Current Portion)		3,007	6,364
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		20,178	14,390
236	Accrued Taxes		1,396	4,076
237	Accrued Interest		139	132
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$25,806	\$33,658
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$348,719	\$388,727
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		91,750	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		794,395	869,395
272	Less: Amortization of Contributions		(323,910)	(373,779)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$562,235	\$495,616
	Total Liabilities		\$936,760	\$918,001
	Capital Accounts			
201	Common Stock Issued		\$477,560	\$477,560
211	Other Paid-In Capital		323,312	323,312
215	Retained Earnings		1,916,920	1,928,949
218	Proprietary Capital (Sole Props and Partnerships)		(570,277)	(570,277)
	Total Capital		\$2,147,515	\$2,159,544
	Total Liabilities and Capital		\$3,084,275	\$3,077,545

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

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
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	\$372,874	\$357,637
460	Unmetered Water Revenue	2,575	2,860
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	4,555	1,285
	Total Revenues	\$380,004	\$361,782
	Operating Expenses		
601	Salaries and Wages	\$173,742	\$152,781
604	Employee Pensions and Benefits	4,800	0
610	Purchased Water	0	0
615	Purchased Power	43,215	41,700
618	Chemicals	1,424	0
620	Materials and Supplies	21,851	15,086
620.1	Repairs and Maintenance	26,507	25,755
620.2	Office Supplies and Expense	2,167	1,429
630	Contractual Services	0	3,126
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,550	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	2,290	1,411
636	Contractual Services - Other	9,295	0
640	Rents	0	0
641	Rental of Building/Real Property	1,320	0
642	Rental of Equipment	0	2,288
650	Transportation Expenses	7,523	6,902
657	Insurance - General Liability	12,114	13,595
657.1	Insurance - Health and Life	12,809	13,888
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	958	666
675	Miscellaneous Expense	18,077	45,011
403	Depreciation Expense (From Schedule AR4)	45,230	41,369
408	Taxes Other Than Income	0	0
408.11	Property Taxes	16,358	8,343
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$401,230	\$373,350
	Operating Income / (Loss)	(\$21,226)	(\$11,568)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$580	\$269
421	Non-Utility Income	24,026	1,412
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(16,384)	(17,427)
	Total Other Income / (Expense)	\$8,222	(\$15,746)
	Net Income / (Loss)	(\$13,004)	(\$27,314)

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
 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	1.0	0.0	0.0	1.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	1.0	0.0	0.0	1.0
Meter reader	1.0	0.0	0.0	1.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
Business Office	1.0	0.0	0.0	1.0
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	4.0	0.0	0.0	4.0

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
 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	2/1/2002	11/1/2017	NA	NA
Source of Loan	USDA	WIFA	NA	NA
ACC Decision No.	65852	75808	NA	NA
Reason for Loan	System Expansion	Arsenic Treatment Eq	NA	NA
Dollar Amt. Issued	\$433,000	\$54,312	NA	NA
Amount Outstanding	\$340,419	\$48,308	NA	NA
Date of Maturity	1/31/2042	4/1/2037	NA	NA
Interest Rate	4.75%	1.50%	NA	NA
Current Year Interest	\$16,384	\$325	NA	NA
Current Year Principal	\$8,299	\$3,124	NA	NA

Meter Deposit Balance at Test Year End:	\$14,390
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Meter Deposits Refunded During the Test Year:	\$5,788
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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.

Water Utility Plant Description	
Name of the System:	ASH FORK WATER SERVICE
ADEQ Public Water System Number:	AZ0413008
ADWR PCC Number:	91-000606.0000

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Stainless Steel	10,970
2.00	PVC	2,770
4.00	PVC	15,500
6.00	PVC	16,064
8.00	PVC	2,340
8.00	Ductile Iron	350
NA	NA	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
0.75	202	41%	65%
1	10	30%	30%
2	10	40%	50%
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%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%

SERVICE LINES		
Material	Percent of system	Year installed
PVC	15%	1980
Other	70%	original
Black Poly	10%	2005
PEX	5%	2015
NA	0%	0

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
1/2		NA	1
1/3		NA	1
7		NA	1
0		NA	0

FIRE HYDRANTS	
Type	Quantity
Standard *	5
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
500,000	Steel	2	1975-1992
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

* 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:	2-gas chlorination systems. 1-Ad Edge Arsenic treatment system
STRUCTURES:	1-office/administration building, 2-well houses, 3-mobil storage containers, 1-fixxed storage shed, 3-water dispensing stations,
OTHER:	1-2016 GMC 1/2 tom pichup truck, 2017 Dodge 1/2 ton pickup truck, 1-2001 1-ton dump bed 4x4 truck w/snow plow, 75KV mobil generator, 2-aqua star water vending machines.

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:	ASH FORK WATER SERVICE
ADEQ Public Water System Number:	AZ0413008
ADWR PCC Number:	91-000606.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	176	5	42	0	180
February	174	5	42	0	157
March	173	5	42	0	161
April	174	5	42	0	176
May	175	5	42	0	173
June	175	5	42	0	179
July	175	5	42	0	188
August	175	5	42	0	187
September	173	5	42	0	185
October	173	5	42	0	182
November	173	5	42	0	169
December	171	5	42	0	156

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.

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	ASH FORK WATER SERVICE
ADEQ Public Water System Number:	AZ0413008
ADWR PCC Number:	91-000606.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	1	0
February	0	2	0
March	0	1	0
April	0	3	0
May	0	0	0
June	0	3	0
July	0	1	0
August	0	0	0
September	0	1	0
October	0	0	0
November	0	2	0
December	0	0	0
Total	0	14	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.

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
Annual Report
Property Taxes
12/31/19

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$16,358

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):

Name (owner or official) title:

Company name:

YAVAPAI
Lewis Hume General Manager
Ash Fork Development Association, Inc. DBA Ash Fork Water Service

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

FOR THE YEAR ENDING: 12/31/19

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:

Lewis Hume

signature of owner/official

928 637-2114

telephone no.

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

THIS

15th

DAY OF

Yavapai
(county name)
April, 2020
(month) and (year)

MY COMMISSION EXPIRES

June 29, 2020
(date)

Carrie Jane Sotelo Ayala
(signature of notary public)



Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): 0 Yavapai
Name (owner or official) title: 0 Lewis Hume General manager
Company name: Ash Fork Development Association, Inc. DBA Ash Fork Water Ser

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 (\$)

380,004

(The amount in the box above includes

19,067 in sales taxes
billed or collected)

RECEIVED
BY EMAIL

6/08/2020 03:48 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

[Signature]
signature of owner/official

928-637-2774 0
telephone no.

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

THIS

15th

DAY OF

Yavapai
(county name)
April 2020
(month) and (year)

MY COMMISSION EXPIRES

June 29, 2020
(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):

0 YAVAPAI

Name (owner or official) title:

0 Lewis Hume General Manager

Company name:

Ash Fork Development Association, Inc. DBA Ash Fork Wat

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 (\$)

380,004

(The amount in the box above includes

19,067 in sales taxes billed or collected)

RECEIVED
BY EMAIL

6/08/2020 03:48 PM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Lewis Hume
signature of owner/official

928-637-2774
telephone no.

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

Yavapai
(county name)

THIS

15th

DAY OF

April 2020
(month) and (year)

MY COMMISSION EXPIRES

June 29, 2020
(date)



Carrie Jane Sotelo Ayala
(signature of notary public)

Ash Fork Development Association, Inc. DBA Ash Fork Water Service
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): 0 YAVAPAI
Name (owner or official) title: 0 Lewis Hume General Manager
Company name: Ash Fork Development Association, Inc. DBA Ash Fork Wa

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**

6/08/2020 03:48 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Lewis Hume
signature of owner/official

928-637-2774
telephone no.

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

Yavapai
(county name)

THIS

15th

DAY OF

April 2020
(month) and (year)

MY COMMISSION EXPIRES

June 29, 2020
(date)



Carrie Jane Sotelo
(signature of notary public)