

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01536A

Lazy C Water Service  
PO Box 1  
Tucson, AZ 85702

**RECEIVED**

APR 18 2016

AZ CORP COMM  
Director - Utilities

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

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**ANNUAL REPORT**

**Water**

FOR YEAR ENDING

|    |    |      |
|----|----|------|
| 12 | 31 | 2015 |
|----|----|------|

FOR COMMISSION USE

|        |    |
|--------|----|
| ANN 04 | 15 |
|--------|----|

4-28-16

**COMPANY INFORMATION**

Company Name (Business Name) BOX 1 INC, d/b/a LAZY C WATER SERVICE

Mailing Address P.O. Box 1  
(Street)  
TUCSON AZ 85702  
(City) (State) (Zip)

520-743-0758 520-743-4557 520-977-5872  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address lazycwater@outlook.com

Local Office Mailing Address SAME  
(Street)  
(City) (State) (Zip)

Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)

Email Address SAME Website address \_\_\_\_\_

**MANAGEMENT INFORMATION**

Regulatory Contact:

Management Contact: BOB CANFIELD II OPERATOR  
(Name) (Title)

4802 W. KAY T DR TUCSON AZ 85745  
(Street) (City) (State) (Zip)

520-743-0758 520-743-4557 520-977-5872  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address lazycwater@outlook.com

On Site Manager: BOB CANFIELD II  
(Name)  
SAME  
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address SAME

Statutory Agent: REBECCA C HUSER  
(Name)

4802 W. KAY T DR TUCSON AZ 85745  
(Street) (City) (State) (Zip)

520-743-0758 520-743-4557 520-977-5872  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: PATRICK J. FARRELL  
(Name)

ONE S. CHURCH AVE #1900 TUCSON AZ 85701  
(Street) (City) (State) (Zip)

520-628-7070 520-624-3849  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address pfarrell@gustlaw.com

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

|   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

|                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

COMPANY NAME

LAZY C WATER SERVICE

## UTILITY PLANT IN SERVICE

| Acct. No. | DESCRIPTION                            | Original Cost (OC) | Accumulated Depreciation (AD) | O.C.L.D. (OC less AD) |
|-----------|--|--------------------|-------------------------------|-----------------------|
| 301       | Organization                           |                    |                               |                       |
| 302       | Franchises                             |                    |                               |                       |
| 303       | Land and Land Rights                   | 3016               |                               | 3016                  |
| 304       | Structures and Improvements            |                    |                               |                       |
| 305       | Collecting & Impounding Reservoirs     |                    |                               |                       |
| 306       | Lake, River, Canal Intakes             |                    |                               |                       |
| 307       | Wells and Springs                      | 35,310             | 4014                          | 31,296                |
| 308       | Infiltration Galleries                 |                    |                               |                       |
| 309       | Raw Water Supply Mains                 |                    |                               |                       |
| 310       | Power Generation Equipment             |                    |                               |                       |
| 311       | Pumping Equipment                      | 51,939             | 13,482                        | 38,457                |
| 320       | Water Treatment Equipment              |                    |                               |                       |
| 320.1     | Water Treatment Plants                 |                    |                               |                       |
| 320.2     | Solution Chemical Feeders              |                    |                               |                       |
| 320.3     | Point-of-Use Treatment Devices         |                    |                               |                       |
| 320.4     | Arsenic Media                          |                    |                               |                       |
| 330       | Distribution Reservoirs and Standpipes |                    |                               |                       |
| 330.1     | Storage Tanks                          |                    |                               |                       |
| 330.2     | Pressure Tanks                         |                    |                               |                       |
| 331       | Transmission and Distribution Mains    | 235,681            | 14,141                        | 221,540               |
| 333       | Services                               | 806                | 97                            | 709                   |
| 334       | Meters and Meter Installations         | 1161               | 291                           | 870                   |
| 335       | Hydrants                               |                    |                               |                       |
| 336       | Backflow Prevention Devices            |                    |                               |                       |
| 339       | Other Plant and Misc. Equipment        | 3059               | 459                           | 2600                  |
| 340       | Office Furniture and Equipment         | 325                | 48                            | 277                   |
| 340.1     | Computers & Software                   | 915                | 138                           | 777                   |
| 341       | Transportation Equipment               |                    |                               |                       |
| 342       | Stores Equipment                       |                    |                               |                       |
| 343       | Tools, Shop and Garage Equipment       | 1268               | 189                           | 1079                  |
| 344       | Laboratory Equipment                   |                    |                               |                       |
| 345       | Power Operated Equipment               |                    |                               |                       |
| 346       | Communication Equipment                |                    |                               |                       |
| 347       | Miscellaneous Equipment                |                    |                               |                       |
| 348       | Other Tangible Plant                   |                    |                               |                       |
|           | <b>TOTALS</b>                          | <b>333,486</b>     | <b>32,859</b>                 | <b>300,627</b>        |

\*This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

LAZY C WATER SERVICE

**WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

| Acct. No. | DESCRIPTION                            | Original Cost(1) | Depreciation Percentage (2) | Depreciation Expense (1 x 2) |
|-----------|--|------------------|-----------------------------|------------------------------|
| 301       | Organization                           |                  |                             |                              |
| 302       | Franchises                             |                  |                             |                              |
| 303       | Land and Land Rights                   | 3016             |                             |                              |
| 304       | Structures and Improvements            |                  |                             |                              |
| 305       | Collecting & Impounding Reservoirs     |                  |                             |                              |
| 306       | Lake, River, Canal Intakes             |                  |                             |                              |
| 307       | Wells and Springs                      | 35,310           | 3.33                        | 1176                         |
| 308       | Infiltration Galleries                 |                  |                             |                              |
| 309       | Raw Water Supply Mains                 |                  |                             |                              |
| 310       | Power Generation Equipment             |                  |                             |                              |
| 311       | Pumping Equipment                      | 51,939           | 12.5                        | 6492                         |
| 320       | Water Treatment Equipment              |                  |                             |                              |
| 320.1     | Water Treatment Plants                 |                  |                             |                              |
| 320.2     | Solution Chemical Feeders              |                  |                             |                              |
| 320.3     | Point-of-Use Treatment Devices         |                  |                             |                              |
| 320.4     | Arsenic Media                          |                  |                             |                              |
| 330       | Distribution Reservoirs and Standpipes |                  |                             |                              |
| 330.1     | Storage Tanks                          |                  |                             |                              |
| 330.2     | Pressure Tanks                         |                  |                             |                              |
| 331       | Transmission and Distribution Mains    | 235,681          | 2.0                         | 4714                         |
| 333       | Services                               | 806              | 5.0                         | 40                           |
| 334       | Meters and Meter Installations         | 1161             | 8.33                        | 97                           |
| 335       | Hydrants                               |                  |                             |                              |
| 336       | Backflow Prevention Devices            |                  |                             |                              |
| 339       | Other Plant and Misc. Equipment        | 3059             | 5.0                         | 153                          |
| 340       | Office Furniture and Equipment         | 325              | 5.0                         | 16                           |
| 340.1     | Computers & Software                   | 915              | 5.0                         | 46                           |
| 341       | Transportation Equipment               |                  |                             |                              |
| 342       | Stores Equipment                       |                  |                             |                              |
| 343       | Tools, Shop and Garage Equipment       | 1268             | 5.0                         | 63                           |
| 344       | Laboratory Equipment                   |                  |                             |                              |
| 345       | Power Operated Equipment               |                  |                             |                              |
| 346       | Communication Equipment                |                  |                             |                              |
| 347       | Miscellaneous Equipment                |                  |                             |                              |
| 348       | Other Tangible Plant                   |                  |                             |                              |
|           | <b>SUBTOTAL</b>                        | <b>333,486</b>   |                             | <b>12,797</b>                |
|           | <b>LESS CIAC Amortization</b>          |                  |                             |                              |
|           | <b>TOTALS *</b>                        | <b>333,486</b>   |                             | <b>12,797</b>                |

\*This amount goes on the Comparative Statement of Income and Expense Acct. No. 403

COMPANY NAME

LAZY C WATER SERVICE

WATER UTILITY BALANCE SHEET

| Acct No. |   | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|----------|---|------------------------------|------------------------|
|          | <b>ASSETS</b>                               |                              |                        |
|          | <b>CURRENT AND ACCRUED ASSETS</b>           |                              |                        |
| 131      | Cash  | \$ (572)                     | \$ 1435                |
| 134      | Working Funds                               |                              |                        |
| 135      | Temporary Cash Investments                  |                              |                        |
| 141      | Customer Accounts Receivable                | 1890                         | 701                    |
| 146      | Notes/Receivables from Associated Companies |                              |                        |
| 151      | Plant Material and Supplies                 |                              |                        |
| 162      | Prepayments                                 |                              |                        |
| 174      | Miscellaneous Current and Accrued Assets    | 13,622                       | 13,622                 |
|          | <b>TOTAL CURRENT AND ACCRUED ASSETS</b>     | \$ 14,940                    | \$ 15,758              |
|          | <b>FIXED ASSETS</b>                         |                              |                        |
| 101      | Utility Plant in Service                    | \$ 355,527                   | \$ 333,486             |
| 103      | Property Held for Future Use                |                              |                        |
| 105      | Construction Work in Progress               |                              |                        |
| 108      | Accumulated Depreciation – Utility Plant    | 2,553                        | 32,859                 |
| 121      | Non-Utility Property                        |                              |                        |
| 122      | Accumulated Depreciation – Non Utility      |                              |                        |
|          | <b>TOTAL FIXED ASSETS</b>                   | \$ 333,974                   | \$ 300,627             |
|          | <b>TOTAL ASSETS</b>                         | \$ 333,974                   | \$ 300,627             |

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME LAZY C WATER SERVICE

**WATER UTILITY BALANCE SHEET (CONTINUED)**

| Acct. No.                              |   | BALANCE AT BEGINNING OF YEAR     | BALANCE AT END OF YEAR |
|--|---|----------------------------------|------------------------|
| <b>LIABILITIES</b>                     |   |                                  |                        |
| <b>CURRENT LIABILITES</b>              |   |                                  |                        |
| 231                                    | Accounts Payable                                  | \$                               | \$                     |
| 232                                    | Notes Payable (Current Portion)                   |                                  | 23,000                 |
| 234                                    | Notes/Accounts Payable to Associated Companies    |                                  |                        |
| 235                                    | Customer Deposits                                 |                                  |                        |
| 236                                    | Accrued Taxes                                     |                                  |                        |
| 237                                    | Accrued Interest                                  |                                  |                        |
| 241                                    | Miscellaneous Current and Accrued Liabilities     | 296,812                          | 202,787                |
|  | <b>TOTAL CURRENT LIABILITIES</b>                  | \$ 296,812                       | \$ 225,787             |
| <b>LONG-TERM DEBT (Over 12 Months)</b> |   |                                  |                        |
| 224                                    | Long-Term Notes and Bonds                         | \$                               | \$                     |
| <b>DEFERRED CREDITS</b>                |   |                                  |                        |
| 251                                    | Unamortized Premium on Debt                       | \$                               | \$                     |
| 252                                    | Advances in Aid of Construction                   |                                  |                        |
| 255                                    | Accumulated Deferred Investment Tax Credits       |                                  |                        |
| 271                                    | Contributions in Aid of Construction              |                                  |                        |
| 272                                    | Less: Amortization of Contributions               |                                  |                        |
| 281                                    | Accumulated Deferred Income Tax                   |                                  |                        |
|  | <b>TOTAL DEFERRED CREDITS</b>                     | \$                               | \$                     |
|  | <b>TOTAL LIABILITIES</b>                          | \$ 296,812                       | \$ 225,787             |
| <b>CAPITAL ACCOUNTS</b>                |   |                                  |                        |
| 201                                    | Common Stock Issued                               | \$ 10,000                        | \$ 10,000              |
| 211                                    | Paid in Capital in Excess of Par Value            | 5767                             | 5767                   |
| 215                                    | Retained Earnings                                 | 36,335                           | 36,335                 |
| 218                                    | Proprietary Capital (Sole Props and Partnerships) |                                  |                        |
|  | <b>TOTAL CAPITAL</b>                              | \$ 52,102                        | \$ 52,102              |
|  | <b>TOTAL LIABILITIES AND CAPITAL</b>              | 352,515<br>\$ <del>271,889</del> | \$ 271,889             |

COMPANY NAME LAZY C WATER SERVICE

**WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

| Acct. No. | OPERATING REVENUES                        | PRIOR YEAR  | CURRENT YEAR |
|-----------|---|-------------|--------------|
| 461       | Metered Water Revenue                     | \$ 112,822  | \$ 109,825   |
| 460       | Unmetered Water Revenue                   |             |              |
| 474       | Other Water Revenues                      |             | 647          |
|           | <b>TOTAL REVENUES</b>                     | \$ 112,822  | \$ 110,472   |
|           | <b>OPERATING EXPENSES</b>                 |             |              |
| 601       | Salaries and Wages                        | \$          | \$           |
| 610       | Purchased Water                           | 5,170       | 4,833        |
| 615       | Purchased Power                           | 14,281      | 16,330       |
| 618       | Chemicals                                 |             |              |
| 620       | Repairs and Maintenance                   | 3,731       | 6,259        |
| 621       | Office Supplies and Expense               | 6,132       | 6,359        |
| 630       | Outside Services                          | 59,039      | 50,919       |
| 635       | Water Testing                             | 954         | 2,004        |
| 641       | Rents                                     | 3,000       | 3,000        |
| 650       | Transportation Expenses                   |             |              |
| 657       | Insurance – General Liability             | 3,856       | 3,432        |
| 659       | Insurance - Health and Life               |             |              |
| 666       | Regulatory Commission Expense – Rate Case |             |              |
| 675       | Miscellaneous Expense                     | 4,365       | 5,525        |
| 403       | Depreciation Expense                      | 13,832      | 12,797       |
| 408       | Taxes Other Than Income                   | 7,904       | 6,343        |
| 408.11    | Property Taxes                            | 8,090       | 3,231        |
| 409       | Income Tax                                |             |              |
|           | <b>TOTAL OPERATING EXPENSES</b>           | \$ 130,291  | \$ 121,032   |
|           | <b>OPERATING INCOME/(LOSS)</b>            | \$ (17,469) | \$ (10,560)  |
|           | <b>OTHER INCOME/(EXPENSE)</b>             |             |              |
| 419       | Interest and Dividend Income              | \$          | \$           |
| 421       | Non-Utility Income                        |             |              |
| 426       | Miscellaneous Non-Utility Expenses        |             |              |
| 427       | Interest Expense                          |             |              |
|           | <b>TOTAL OTHER INCOME/(EXPENSE)</b>       | \$          | \$           |
|           | <b>NET INCOME/(LOSS)</b>                  | \$ (17,469) | \$ (10,560)  |

COMPANY NAME LAZY C WATER SERVICE

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

|                        | LOAN #1    | LOAN #2 | LOAN #3 | LOAN #4 |
|------------------------|------------|---------|---------|---------|
| Date Issued            |            |         |         |         |
| Source of Loan         |            |         |         |         |
| ACC Decision No.       |            |         |         |         |
| Reason for Loan        | <i>N/A</i> |         |         |         |
| Dollar Amount Issued   | \$         | \$      | \$      | \$      |
| Amount Outstanding     | \$         | \$      | \$      | \$      |
| Date of Maturity       |            |         |         |         |
| Interest Rate          |            | %       | %       | %       |
| Current Year Interest  | \$         | \$      | \$      | \$      |
| Current Year Principle | \$         | \$      | \$      | \$      |

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

|                 |                      |                                  |       |
|-----------------|----------------------|----------------------------------|-------|
| COMPANY NAME    | LAZY C WATER SERVICE |                                  |       |
| Name of System: | LAZY C WATER         | ADEQ Public Water System Number: | 10065 |

**WATER UTILITY PLANT DESCRIPTION**

WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (Inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-801499       | 10              | 30               | 563                 | 8-5/8                    | 1-1/2               | 2010         |
| 55-801500       | 15              | 48               | 650                 | 8                        | 1-1/2               | 1996         |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |

\* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| CITY OF TUCSON      | 90             | 792,880                                      |
|                     |                |  |

| BOOSTER PUMPS |          | FIRE HYDRANTS     |                |
|---------------|----------|-------------------|----------------|
| Horsepower    | Quantity | Quantity Standard | Quantity Other |
| 25            | 1        | 1                 |                |
| 26            | 1        |                   |                |
| 10            | 1        |                   |                |
|               |          |                   |                |

| STORAGE TANKS |          | PRESSURE TANKS |          |
|---------------|----------|----------------|----------|
| Capacity      | Quantity | Capacity       | Quantity |
| 100,000       | 1        | 3000           | 2        |
| 25,000        | 1        | 2000           | 1        |
| 10,000        | 1        |                |          |

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

|                        |                      |   |
|------------------------|----------------------|---|
| <b>COMPANY NAME</b>    | LAZY C WATER SERVICE |   |
| <b>Name of System:</b> | LAZY C WATER         | <b>ADEQ Public Water System Number:</b> 10065 |

**WATER UTILITY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

| Size (in inches) | Material   | Length (in feet) |
|------------------|------------|------------------|
| 2                | PVC #40    | 8909             |
| 3                | AL-PVC 900 | 11000            |
| 4                | "          | 22,365           |
| 5                |            |                  |
| 6                | "          | 19,984           |
| 8                |            |                  |
| 10               |            |                  |
| 12               |            |                  |
|                  |            |                  |
|                  |            |                  |
|                  |            |                  |
|                  |            |                  |
|                  |            |                  |

**CUSTOMER METERS**

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 X 3/4        | 105      |
| 3/4              |          |
| 1                | 28       |
| 1 1/2            | 1        |
| 2                |          |
| Comp. 3          |          |
| Turbo 3          |          |
| Comp. 4          |          |
| Turbo 4          |          |
| Comp. 6          |          |
| Turbo 6          |          |
|                  |          |
|                  |          |
|                  |          |

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

**TREATMENT EQUIPMENT:**

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**STRUCTURES:**

|      |                                     |
|------|-------------------------------------|
| 250' | CHAIN LINK FENCE 6' HIGH            |
| 68'  | GRAPE STAKE 5' HIGH                 |
| 300' | COLORED CONCRETE BLOCK WALL 5' HIGH |
| 6'   | CHAIN LINK GATE (2)                 |

**OTHER:**

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*Note: If you are filing for more than one system, please provide separate sheets for each system.*



COMPANY NAME: LAZY C WATER SERVICE  
 Name of System: LAZY C WATER ADEQ Public Water System Number:

**UTILITY SHUTOFFS / DISCONNECTS**

| MONTH     | Termination without Notice<br>R14-2-410.B | Termination with Notice<br>R14-2-410.C | OTHER |
|-----------|---|--|-------|
| JANUARY   | 0   | 0                                      | 0     |
| FEBRUARY  | }   | }                                      | }     |
| MARCH     |   |  |       |
| APRIL     |   |  |       |
| MAY       |   |  |       |
| JUNE      |   |  |       |
| JULY      |   |  |       |
| AUGUST    |   |  |       |
| SEPTEMBER |   |  |       |
| OCTOBER   |   |  |       |
| NOVEMBER  |   |  |       |
| DECEMBER  |   |  |       |
| TOTALS →  |   |  |       |

OTHER (description):

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COMPANY NAME LAZY C WATER SERVICE YEAR ENDING 12/31/2015

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 3,230.72

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

APR 18 2016

AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

|                                |                                      |           |
|--------------------------------|--------------------------------------|-----------|
| COUNTY OF (COUNTY NAME)        | PIMA                                 |           |
| NAME (OWNER OR OFFICIAL) TITLE | REBECCA C HUSER                      | SECRETARY |
| COMPANY NAME                   | BOX 1 INC, dba, LAZY C WATER SERVICE |           |

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

FOR THE YEAR ENDING

| MONTH | DAY | YEAR |
|-------|-----|------|
| 12    | 31  | 2015 |

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.

*Rebecca C Huser*  
SIGNATURE OF OWNER OR OFFICIAL

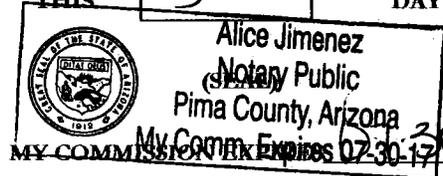
520-743-0758  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13 DAY OF April

|             |          |       |
|-------------|----------|-------|
| COUNTY NAME | Pima     |       |
| MONTH       | April 13 | .2016 |



*[Signature]*  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**  
APR 18 2016  
AZ CORP COMM  
Director - Utilities

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

|   |  |
|---|--|
| COUNTY OF (COUNTY NAME) <u>PIMA</u>                                       |  |
| NAME (OWNER OR OFFICIAL) TITLE<br><u>REBECCA C HUSER</u> <u>SECRETARY</u> |  |
| COMPANY NAME<br><u>BOX1 INC, dba, LAZY C WATER SERVICE</u>                |  |

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

|       |     |      |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12    | 31  | 2015 |

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 REQUIREMENT 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 CALENDAR YEAR 2015 WAS:

|   |
|---|
| Arizona Intrastate Gross Operating Revenues Only (\$) |
| \$ <u>110,472</u>                                     |

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 6,314 IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Rebecca C Huser  
SIGNATURE OF OWNER OR OFFICIAL  
520-743-0758  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

13 DAY OF April

|                         |               |                  |
|-------------------------|---------------|------------------|
| COUNTY NAME <u>Pima</u> |               |                  |
| MONTH <u>April</u>      | DAY <u>13</u> | YEAR <u>2014</u> |



Alice Jimenez  
Notary Public  
Pima County, Arizona

[Signature]  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 07-30-17

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

**RECEIVED**

APR 18 2016  
AZ CORP COMM  
Director - Utilities

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

|  |                        |
|--|------------------------|
| COUNTY OF (COUNTY NAME) <u>PIMA</u>                      |                        |
| NAME (OWNER OR OFFICIAL) <u>REBECCA C HISER</u>          | TITLE <u>SECRETARY</u> |
| COMPANY NAME <u>BOX 1 INC, dba, LAZY C WATER SERVICE</u> |                        |

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

|       |     |      |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12    | 31  | 2015 |

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 40-401.01, 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 CALENDAR YEAR 2015 WAS:

|  |
|--|
| ARIZONA INTRASTATE GROSS OPERATING REVENUES<br><br>\$ <u>110,472</u> |
|--|

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 6,314  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Rebecca C Hiser  
SIGNATURE OF OWNER OR OFFICIAL  
  
520-743-0758  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 13 DAY OF April

|   |
|---|
| NOTARY PUBLIC NAME<br><u>Alice Jimenez</u>  |
| COUNTY NAME<br><u>Pima County</u>           |
| MONTH <u>April</u> # <u>13</u> 20 <u>16</u> |

  
Alice Jimenez  
Notary Public  
Pima County, Arizona  
My Commission Expires 07-30-17

[Signature]  
SIGNATURE OF NOTARY PUBLIC