

ANNUAL REPORT

Of

Company Name: Michael's Ranch Water Users' Association
1 Michaels Ranch Dr.

Mailing Address: Sedona AZ
86336

Docket No.: W-02624A
For the Year Ended: 12/31/20

RECEIVED BY EMAIL

4/15/2021, 3:58 PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

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: 4/10/2021

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Michael's Ranch Water Users' Association
A Class ☒ Utility

For the Calendar Year Ended: 12/31/20

Primary Address:

1 Michael's Ranch Dr			
City: Sedona	State: Arizona	Zip Code: 86336	

Telephone Number:

928-203-2254

Date of Original Organization of Utility:

7/15/1991

Person to whom correspondence should be addressed concerning this report:

Name:

Nancy Ruby

Telephone No.:

928-204-2824

Address:

270 Chrysona Lane			
City: Sedona	State: Arizona	Zip Code: 86336	

Email:

nancyruby@gmail.com michaelsranchwater@gmail.com

On-Site Manager

Henry McVittie			
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Name:

Wendy Ferguson

Telephone No.:

928- 203-2254 282-1136

Address:

207 Antelope Dr			
City: Sedona	State: Arizona	Zip Code: 86336	

Email:

Wendy.cmc@psn

Statutory Agent and Attorney

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Name:

William Sullivan Michael's Ranch WUA

Telephone No.:

602-595-3800 928-204-2824

Address:

3240 E Union Hills Dr #117 1 Michael's Ranch Dr.			
City: Phoenix Sedona	State: Arizona	Zip Code: 85050 86336	

Email:

ws@wsullivan.com michaelsranchwater@gmail.com
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NA

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Name:

N/A

Telephone No.:

N/A

Address:

N/A			
City: N/A	State: N/A	Zip Code: N/A	

Email:

N/A

NA

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Name:

N/A

Telephone No.:

N/A

Address:

N/A			
City: N/A	State: N/A	Zip Code: N/A	

Email:

N/A

Ownership:

Association--Cooperative

Counties Served:

Yavapai

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Michael's Ranch Water Users' Association

Important changes during the year

	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year? <i>no</i>
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	If yes, please provide specific details in the box below.
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	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance? <i>no</i>
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	If yes, please provide specific details in the box below.
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Michael's Ranch Water Users' Association
Annual Report
Utility Plant in Service (Water)
12/31/20

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	5,000	0	0	5,000	0	5,000
304	Structures and Improvements	29,277	4,281	0	33,558	28,434	5,124
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	32,785	0	0	32,785	32,052	733
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	21,508	0	0	21,508	8,063	13,445
311	Pumping Equipment	43,289	0	0	43,289	38,039	5,250
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	6,718	3,866	1,800	8,784	19	8,765
320.2	Solution Chemical Feeders	546	0	0	546	546	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	27,000	0	0	27,000	24,618	2,382
330.2	Pressure Tanks	20,730	0	0	20,730	20,730	0
331	Transmission and Distribution Mains	58,800	11,597	0	70,397	51,860	18,537
333	Services	3,500	0	0	3,500	3,500	0
334	Meters and Meter Installations	4,084	12,226	0	16,310	4,227	12,083
335	Hydrants	1,400	0	0	1,400	1,232	168
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$254,637	\$31,969	\$1,800	\$284,806	\$213,320	\$71,486

Michael's Ranch Water Users' Association
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/20

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	5,000	0	0	5,000	5,000	0	0.00%	0
304	Structures and Improvements	29,277	4,281	0	33,558	0	33,558	3.33%	1,046
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	32,785	0	0	32,785	32,000	785	3.33%	26
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	21,508	0	0	21,508	0	21,508	5.00%	1,075
311	Pumping Equipment	43,289	0	0	43,289	34,348	8,941	12.50%	1,118
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	6,718	3,866	1,800	8,784	0	8,784	3.33%	198
320.2	Solution Chemical Feeders	546	0	0	546	546	0	20.00%	0
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	27,000	0	0	27,000	0	27,000	2.22%	599
330.2	Pressure Tanks	20,730	0	0	20,730	20,730	0	5.00%	0
331	Transmission and Distribution Mains	58,800	11,597	0	70,397	0	70,397	2.00%	1,292
333	Services	3,500	0	0	3,500	3,500	0	3.33%	0
334	Meters and Meter Installations	4,084	12,226	0	16,310	3,581	12,729	8.33%	551
335	Hydrants	1,400	0	0	1,400	0	1,400	2.00%	28
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	6.67%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	20.00%	0
341	Transportation Equipment	0	0	0	0	0	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	5.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	5.00%	0
346	Communication Equipment	0	0	0	0	0	0	10.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	10.00%	0
	Subtotal	\$254,637	\$31,969	\$1,800	\$284,806	\$99,705	\$185,101		\$5,934

Contribution(s) in Aid of Construction (Gross)	\$28,099
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$28,099
Times: Proposed Amortization Rate	3.21%
Amortization of CIAC	\$901

Less: Amortization of CIAC **\$901**

DEPRECIATION EXPENSE \$5,033

Michael's Ranch Water Users' Association
Annual Report
Balance Sheet Assets
12/31/20

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current and Accrued Assets			
131	Cash		\$24,625	\$13,623
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		97	2
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		16,883	9,258
	Total Current and Accrued Assets		\$41,605	\$22,883
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$254,638	\$284,806
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	22,835
108	Accumulated Depreciation (enter as negative)*		(209,187)	(213,320)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$45,451	\$94,321
	Total Assets		\$87,056	\$117,204

*Note these items feed automatically from AR3 UPIS Page 4

Michael's Ranch Water Users' Association
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current Liabilities			
231	Accounts Payable		\$187	\$0
232	Notes Payable (Current Portion)		0	3,800
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		2	2
236	Accrued Taxes		163	231
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$352	\$4,033
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$4,793
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		4,200	28,099
272	Less: Amortization of Contributions		(2,071)	(2,972)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$2,129	\$25,127
	Total Liabilities		\$2,481	\$33,953
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		84,575	83,251
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$84,575	\$83,251
	Total Liabilities and Capital		\$87,056	\$117,204

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

Michael's Ranch Water Users' Association
Annual Report
Water Comparative Income Statement
12/31/20

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	Operating Revenue		
461	Metered Water Revenue	\$33,107	\$26,312
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	3,747	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	411	583
	Total Revenues	\$37,265	\$26,895
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	187
615	Purchased Power	3,614	5,475
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	1,214	2,721
620.2	Office Supplies and Expense	59	226
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	5,725	5,328
633	Contractual Services - Legal	2,458	0
634	Contractual Services - Management Fees	4,560	4,560
635	Contractual Services - Water Testing	4,538	5,346
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	48
657	Insurance - General Liability	1,913	2,055
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	755	548
403	Depreciation Expense (From Schedule AR4)	5,033	5,125
408	Taxes Other Than Income	5	0
408.11	Property Taxes	953	945
409	Income Taxes	7,675	(1,368)
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$38,502	\$31,196
	Operating Income / (Loss)	(\$1,237)	(\$4,301)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$3	\$8
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(90)	0
	Total Other Income / (Expense)	(\$87)	\$8
	Net Income / (Loss)	(\$1,324)	(\$4,293)

Michael's Ranch Water Users' Association
 Annual Report
 Full time equivalent employees
 12/31/20

Full time equivalent employees

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

Michael's Ranch Water Users' Association
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/20

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	1/24/2020	NONE	NONE	NONE
Source of Loan	WIFA	NONE	NONE	NONE
ACC Decision No.	77279	NONE	NONE	NONE
Reason for Loan	Improvements	NONE	NONE	NONE
Dollar Amt. Issued	\$10,325	NONE	NONE	NONE
Amount Outstanding	\$8,593	NONE	NONE	NONE
Date of Maturity	2/1/2035	NONE	NONE	NONE
Interest Rate	2.97%	NONE	NONE	NONE
Current Year Interest	\$90	NONE	NONE	NONE
Current Year Principal	\$1,732	NONE	NONE	NONE

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Well and Water Usage

[illegible]

Name of system water delivered to:	N/A
ADWR PCC Number:	
Source of water delivered to another system	N/A
Name of system water received from:	N/A
ADWR PCC Number:	
Source of water received	N/A
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	115,299	108,020				273	1,955
February	109,466	103,660				238	1,681
March	187,213	172,870				246	1,672
April	194,538	190,830				272	1,607
May	251,625	247,820				264	1,728
June	367,366	351,222				290	1,730
July	338,895	338,470				375	2,268
August	343,917	338,470				328	1,988
September	453,393	447,930				343	2,096
October	262,767	263,200				299	2,023
November	247,557	231,620				308	2,122
December	216,394	233,110				338	2,317
Totals	0.00	0.00	0.00	0.00	0.00	30	0
	3088423	3,022,400				3576	23026

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

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.	3088,423	
2	Water sold - Total gallons from customer meters, and other sales such as construction water.		3022,400
3	Water delivered (sold) to other systems - Total gallons of water delivered to other systems.	0	0
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 (meter non-read and hydrant) 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.		3088,423
6	Enter the total purchased power costs for the power meters associated with this system.	16,3576.00	
7	Enter the total purchased kWh used by the power meters associated with this system.		23026

Water Utility Plant Description

Name of the System:	0 Michael's Ranch
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ADEQ Public Water System Number: 420413.109

ADWR PCC Number:	91-00061.0000
------------------	---------------

[illegible][illegible]

SERVICE LINES		
Material	Percent of system	Year installed
PVC	100	1991

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	50	2
10	100	1

FIRE HYDRANTS	
Type	Quantity
Standard *	3
Other	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
75,000	steel	1	1991

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
2,000	steel	1	1991

* 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:	Chlorinator pump 26 Household RO units POU
STRUCTURES:	Building for pump station Enclosed yard with gated & locked fence
OTHER:	1.5 hp compressor 360 rpm 60 kW generator 500 gal. propane tank - rental

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:

318.482
a

Michael's Ranch Water Users' Association
Annual Report
Customer and Other Information
12/31/20

Customer and Other Information	
Name of the System:	0 MICHAEL'S RANCH WATER SYSTEM
ADEQ Public Water System Number:	13-109
ADWR PCC Number:	91-000661.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	26			1	
February	26			1	
March	26			1	
April	26			1	
May	26			1	
June	26			1	
July	26			1	
August	26			1	
September	26			1	
October	26			1	
November	26			1	
December	26			1	

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.

Michael's Ranch Water Users' Association
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	0 Michael's Ranch Water System
ADEQ Public Water System Number:	13-109
ADWR PCC Number:	91-000661.0000

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

Other (description):

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.

Michael's Ranch Water Users' Association
Annual Report
Property Taxes
12/31/20

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2020 was	\$953

If no property taxes paid, explain why.
None

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: Nancy Ruby, Water Liaison
Company name: Michael's Ranch Water Users' Association

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

FOR THE YEAR ENDING: 12/31/20

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.

Nancy Ruby
signature of owner/official

928-204-2824

telephone no.

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

THIS

15th

DAY OF

Yavapai

(county name)

April 2021
(month) and (year)

MY COMMISSION EXPIRES

10/30/23
(date)

Emily Lincoln
(signature of notary public)



EMILY LINCOLN
Notary Public - State of Arizona
YAVAPAI COUNTY
Commission # 572969
Expires October 30, 2023

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:

Nancy Ruby, Water Liaison

Company name:

Michael's Ranch Water Users' Association

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

FOR THE YEAR ENDING: 12/31/20

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 (\$)

\$39,323

(The amount in the box above includes

\$2,058

in sales taxes
billed or collected)

Nancy Ruby
signature of owner/official

928-204-2824

telephone no.

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

Yavapai

THIS

15th

DAY OF

April

2021
(month) and (year)

MY COMMISSION EXPIRES

10/30/23
(date)

Emily Lincoln
(signature of notary public)

See Independent Accountants' Compilation Report



EMILY LINCOLN
Notary Public - State of Arizona
YAVAPAI COUNTY
Commission # 572969
Expires October 30, 2023

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:

Nancy Ruby, Water Liaison

Company name:

Michael's Ranch Water Users' Association

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

FOR THE YEAR ENDING: 12/31/20

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 (\$)

\$39,323

(The amount in the box above includes

\$2,058

in sales taxes
billed or collected)

Nancy Ruby
signature of owner/official

928-204-2824

telephone no.

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

Yavapai
(county name)

THIS

15th

DAY OF

April 2021
(month) and (year)

MY COMMISSION EXPIRES

10/30/23
(date)

Emily Lincoln
(signature of notary public)

See Independent Accountants' Compilation Report



EMILY LINCOLN
Notary Public - State of Arizona
YAVAPAI COUNTY
Commission # 572989
Expires October 30, 2023

Michael's Ranch Water Users' Association
Annual Report
Full Gross-up Method for Income Tax Statement of Certification
12/31/20

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:

Nancy Ruby, Water Liaison

Company name:

Michael's Ranch Water Users' Association

FOR THE YEAR ENDING: 12/31/20

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.

Nancy Ruby
signature of owner/official

928-204-2824
telephone no.

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

Yavapai
(county name)

THIS

15th

DAY OF

April 2021
(month) and (year)

MY COMMISSION EXPIRES

10/30/23
(date)

Emily Lincoln
(signature of notary public)

