

ANNUAL REPORT

Of

Company Name: **Ray Water Company, Inc.**
414 N. Court Ave.

Mailing Address: Tucson AZ
85701

Docket No.: W-01380A
For the Year Ended: 12/31/20

WATER UTILITY

To

Arizona Corporation Commission

RECEIVED
UTILITIES DIVISION
2021 APR - 1 P 1:47
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: 3/29/2021

CALVERT & IVESTER, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

2930 N Swan Road, Ste 209
TUCSON, AZ 85712

Voice (520) 325-1544
Fax (520) 327-6864

Dale R. Calvert, CPA
E-mail: dale@calvertandivester.com

Sara J. Ivester, CPA
Email: sara@calvertandivester.com

Board of Directors
Ray Water Company
Tucson, Arizona

We have prepared from information provided to us by management the accompanying balance sheet of Ray Water Company as of December 31, 2020 and 2019 and the related water comparative income statement and supplementary information contained in the schedule of utility plant in service, schedule of depreciation expense for the current year and schedule of long-term debt for the year then ended included in the accompanying prescribed form, Water Utility Annual Report. These financial statements were not subjected to any audit, review or compilation standards nor did we verify the accuracy or completeness of information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission which differ from a presentation in accordance with generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

We are not independent with respect to Ray Water Company.

Calvert & Ivester, PLLC
Tucson, AZ

March 29, 2021

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

For the Calendar Year Ended: 12/31/20

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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

On-Site Manager
Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

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

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

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

Ownership:

Counties Served:

Important changes during the year
--

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

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.
	N/A

Ray Water Company, Inc.
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	700	0	0	700	0	700
303	Land and Land Rights	62,540	0	0	62,540	0	62,540
304	Structures and Improvements	19,991	0	0	19,991	15,978	4,013
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	1,581,383	0	0	1,581,383	812,560	768,823
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	891,255	15,075	0	906,330	869,150	37,180
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	623,334	0	0	623,334	362,640	260,694
330.2	Pressure Tanks	4,507	0	0	4,507	1,239	3,268
331	Transmission and Distribution Mains	1,414,782	0	0	1,414,782	872,976	541,806
333	Services	543,190	0	0	543,190	369,326	173,864
334	Meters and Meter Installations	133,471	38,667	0	172,138	99,116	73,022
335	Hydrants	114,568	0	0	114,568	80,912	33,656
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	10,375	17,750	0	28,125	7,743	20,382
340	Office Furniture and Equipment	15,146	0	0	15,146	8,305	6,841
340.1	Computer & Software	10,498	2,789	0	13,287	10,719	2,568
341	Transportation Equipment	67,150	87,757	0	154,907	42,088	112,819
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	2,007	0	0	2,007	1,239	768
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	31,291	0	0	31,291	22,319	8,973
347	Miscellaneous Equipment	1,253	0	0	1,253	1,253	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$5,527,441	\$162,037	\$0	\$5,689,478	\$3,577,562	\$2,111,917

Ray Water Company, Inc.
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	700	0	0	700	0	700	0.00%	0
303	Land and Land Rights	62,540	0	0	62,540	0	62,540	0.00%	0
304	Structures and Improvements	19,991	0	0	19,991	13,781	6,210	3.33%	207
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	1,581,383	0	0	1,581,383	42,574	1,538,809	3.33%	51,242
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	891,255	15,075	0	906,330	641,254	265,075	12.50%	32,192
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	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	623,334	0	0	623,334	106,345	516,989	2.22%	11,477
330.2	Pressure Tanks	4,507	0	0	4,507	0	4,507	5.00%	225
331	Transmission and Distribution Mains	1,414,782	0	0	1,414,782	303,124	1,111,658	2.00%	22,233
333	Services	543,190	0	0	543,190	21,127	522,063	3.33%	17,385
334	Meters and Meter Installations	133,471	38,667	0	172,138	87,148	84,990	8.33%	5,469
335	Hydrants	114,568	0	0	114,568	7,457	107,111	2.00%	2,142
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	10,375	17,750	0	28,125	2,902	25,223	6.67%	1,090
340	Office Furniture and Equipment	15,146	0	0	15,146	7,102	8,044	6.67%	537
340.1	Computer & Software	10,498	2,789	0	13,287	9,912	3,375	20.00%	396
341	Transportation Equipment	67,150	87,757	0	154,907	16,667	138,240	20.00%	18,872
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	2,007	0	0	2,007	671	1,336	5.00%	67
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	31,291	0	0	31,291	694	30,597	10.00%	3,060
347	Miscellaneous Equipment	1,253	0	0	1,253	1,253	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$5,527,441	\$162,037	\$0	\$5,689,478	\$1,262,011	\$4,427,467		\$166,595

Contribution(s) in Aid of Construction (Gross)	\$1,805,006
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	34,474
Amortizable Contribution(s)	\$1,770,532
Times: Proposed Amortization Rate	5.00%
Amortization of CIAC	\$88,527

Less: Amortization of CIAC \$88,527

DEPRECIATION EXPENSE **\$78,068**

Ray Water Company, Inc.
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		\$221,226	\$265,415
134	Working Funds		0	0
135	Temporary Cash Investments		1,009,604	1,017,662
141	Customer Accounts Receivable		58,744	40,357
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		3,611	18,216
174	Miscellaneous Current and Accrued Assets		227,299	268,847
	Total Current and Accrued Assets		\$1,520,484	\$1,610,497
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$5,527,441	\$5,689,478
103	Property Held for Future Use		0	0
105	Construction Work in Progress		28,362	28,362
108	Accumulated Depreciation (enter as negative)*		(3,410,904)	(3,577,562)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$2,144,899	\$2,140,279
	Total Assets		\$3,665,383	\$3,750,776

*Note these items feed automatically from AR3 UPIS Page 4

Ray Water Company, Inc.
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		\$39	\$177
232	Notes Payable (Current Portion)		11,042	12,436
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		150,235	140,866
236	Accrued Taxes		36,971	24,154
237	Accrued Interest		1,188	1,188
242	Miscellaneous Current and Accrued Liabilities		48,385	52,829
	Total Current Liabilities		\$247,860	\$231,650
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$16,818	\$3,691
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		1,167,483	1,159,388
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,805,006	1,805,006
272	Less: Amortization of Contributions		(823,530)	(912,056)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$2,148,959	\$2,052,337
	Total Liabilities		\$2,413,637	\$2,287,678
	Capital Accounts			
201	Common Stock Issued		\$16,000	\$16,000
211	Other Paid-In Capital		41,333	41,333
215	Retained Earnings		1,194,411	1,405,765
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$1,251,744	\$1,463,098
	Total Liabilities and Capital		\$3,665,381	\$3,750,776

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

Ray Water Company, Inc.
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	\$979,878	\$898,506
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	11,323	17,920
474	Other Water Revenue	5,349	4,834
	Total Revenues	\$996,550	\$921,260
	Operating Expenses		
601	Salaries and Wages	\$264,144	\$243,943
604	Employee Pensions and Benefits	52,829	48,385
610	Purchased Water	0	0
615	Purchased Power	92,328	82,519
618	Chemicals	0	0
620	Materials and Supplies	4,938	2,374
620.1	Repairs and Maintenance	2,359	1,593
620.2	Office Supplies and Expense	12,252	10,847
630	Contractual Services	0	0
631	Contractual Services - Engineering	8,156	607
632	Contractual Services - Accounting	7,778	15,848
633	Contractual Services - Legal	4,440	882
634	Contractual Services - Management Fees	21,321	55,569
635	Contractual Services - Water Testing	0	0
636	Contractual Services - Other	145,614	112,879
640	Rents	0	0
641	Rental of Building/Real Property	26,000	26,000
642	Rental of Equipment	0	0
650	Transportation Expenses	13,685	10,081
657	Insurance - General Liability	12,382	10,401
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	15,302	18,376
403	Depreciation Expense (From Schedule AR4)	78,068	104,356
408	Taxes Other Than Income	20,333	19,315
408.11	Property Taxes	35,609	34,233
409	Income Taxes	(27,781)	66,736
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$789,758	\$864,944
	Operating Income / (Loss)	\$206,792	\$56,316
	Other Income / (Expense)		
419	Interest and Dividend Income	\$8,058	\$9,688
421	Non-Utility Income	0	5,900
426	Miscellaneous Non-Utility (Expense)	(1,755)	(1,354)
427	Interest (Expense)	(1,741)	(2,215)
	Total Other Income / (Expense)	\$4,562	\$12,019
	Net Income / (Loss)	\$211,354	\$68,335

Ray Water Company, Inc.
Annual Report
Full time equivalent employees
12/31/20

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1.0	0.0	0.0	1.0
Vice-president	1.0	0.0	0.0	1.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	1.0	0.0	0.0	1.0
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
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	3.0	0.0	0.0	3.0

Ray Water Company, Inc.
 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	5/1/2011			
Source of Loan	Related Entity			
ACC Decision No.	W-01380A-09-010			
Reason for Loan	New Well Development			
Dollar Amt. Issued	\$100,000			
Amount Outstanding	\$16,127			
Date of Maturity	5/1/2021			
Interest Rate	6.25%			
Current Year Interest	\$1,741			
Current Year Principal	\$11,732			

Meter Deposit Balance at Test Year End:	\$6,814
---	---------

Meter Deposits Refunded During the Test Year:	\$755
---	-------

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:	RAY WATER COMPANY
ADEQ Public Water System Number:	AZ0410095
ADWR PCC Number:	91-000435.0000

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	NA	None
3.00	ACP	9,730
4.00	ACP	29,900
5.00	NA	None
6.00	ACP	25,773
8.00	ACP, C900	960 & 4110
10.00	NA	None
12.00	ACP, C900	240
4.00	PVC C900	735
6.00	PVC C900	19,965
8.00	PVC C900	27,756
6.00	DIP/ACP	308
8.00	DIP/ACP	1,021
12.00	DIP/ACP	615

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	1,772	35%	50%
0.75	0	0%	0%
1	34	75%	50%
1.5	4	90%	25%
Compound 2	12	75%	50%
Turbine 2	0	0%	0%
Compound 3	3	100%	33%
Turbine 3	0	0%	0%
Compound 4	3	100%	0%
Turbine 5	0	0%	0%
Compound 6	1	100%	0%
Turbine 6	0	0%	0%
6	0	0%	0%

SERVICE LINES			
Material	Percent of system	Year installed	
Copper	61%	Various	
Galvanized Steel	10%	Pre-1975	
PVC	25%	Various	
NA	0%	na	
NA	0%	na	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
15	130	2	
20	140	1	
25	400	1	
30	400	5	

FIRE HYDRANTS	
Type	Quantity
Standard *	82
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
50,000	Steel	3	1991
90,000	Steel	1	2001
250,000	Steel	1	2003
285,000	Steel	1	2009

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	3	2001

* 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:	None
STRUCTURES:	Cyclone/razor wire fencing around all six well sites. 50 sq ft storage building at Well#4
OTHER:	Office furniture and equipment, computers, miscellaneous field equipment

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

1

 Method used:

(b)

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	None
STRUCTURES:	Cyclone/razor wire fencing around all six well sites. 50 sq ft storage building at Well#4
OTHER:	Office furniture and equipment, computers, miscellaneous field equipment

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 days.
- (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

1

 Method used:

(b)

Customer and Other Information	
Name of the System:	RAY WATER COMPANY
ADEQ Public Water System Number:	AZ0410095
ADWR PCC Number:	91-000435.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	1,689	21	43	0	0
February	1,704	21	43	0	0
March	1,712	21	43	0	0
April	1,717	21	43	0	0
May	1,719	21	43	0	0
June	1,720	21	43	0	0
July	1,734	21	43	0	0
August	1,738	21	43	0	0
September	1,759	21	43	0	0
October	1,769	21	43	0	0
November	1,763	21	43	0	0
December	1,765	21	43	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?

If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Well pump replacement at 55-609464 completed 4/2021	New pressure tank at 55-609465 completed 5/2021
---	---

* an ERC is based on the calculation on the bottom of AR9 page 12.

Ray Water Company, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/20

Utility Shutoffs / Disconnects		
Name of the System:	RAY WATER COMPANY	
ADEQ Public Water System Number:	AZ0410095	
ADWR PCC Number:	91-000435.0000	

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	22	0
February	0	17	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	21	0
November	0	9	0
December	0	6	0
Total	0	75	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.

Ray Water Company, Inc.
Annual Report
Property Taxes
12/31/20

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2020 was	\$34,896

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.

Ray Water Company, Inc.
Annual Report
Verification and Sworn Statement (Taxes)
12/31/20

Verification and Sworn Statement (Taxes)

Verification: State of Arizona I, the undersigned of the
(state name)

County of (county name): Pima
Name (owner or official) title: Rhonda Mallis Rosenbaum - President
Company name: Ray Water Company, Inc.

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.

Rhonda Rosenbaum
signature of owner/official

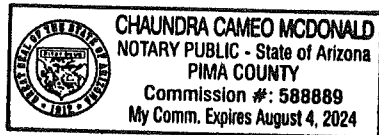
520-623-1332
telephone no.

RECEIVED
UTILITIES DIVISION
2021 APR -1 P 1:48
ARIZONA CORPORATION
COMMISSION

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Pima
(county name)

THIS 30 DAY OF March 2021
(month) and (year)

MY COMMISSION EXPIRES 8/4/2024
(date)



Chaundra Cameo McDonald
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Pima
Name (owner or official) title: Rhonda Mallis Rosenbaum - President
Company name: Ray Water Company, Inc.

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:

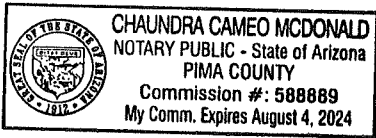
Arizona Intrastate Gross Operating Revenues Only (\$)
\$1,059,833
(The amount in the box above includes
\$79,955 in sales taxes
billed or collected)

RECEIVED
UTILITIES DIVISION
2021 APR -1 P 1:48
ARIZONA CORPORATION
COMMISSION

Rhonda Mallis Rosenbaum
signature of owner/official
520-623-1332
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Pima
(county name)
THIS 30 DAY OF March 2021
(month) and (year)

MY COMMISSION EXPIRES 8/4/2024
(date)



Chaundra Cameo McDonald
(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): Pima
Name (owner or official) title: Rhonda Mallis Rosenbaum - President
Company name: Ray Water Company, Inc.

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 (\$)

\$854,954

(The amount in the box above includes

\$64,498 in sales taxes
billed or collected)

Rhonda Mallis Rosenbaum

signature of owner/official

520-623-1332

telephone no.

RECEIVED
UTILITIES DIVISION
2021 APR -1 P 1:48
ARIZONA CORPORATION
COMMISSION

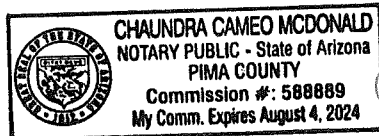
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Pima

(county name)

THIS 30 DAY OF March 2021
(month) and (year)

MY COMMISSION EXPIRES

8/4/2024
(date)



Chaundra Cameo McDonald
(signature of notary public)

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): Pima
Name (owner or official) title: Rhonda Mallis Rosenbaum - President
Company name: Ray Water Company, Inc.

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 INCURRED OR 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
UTILITIES DIVISION
2021 APR -1 P 11:00
ARIZONA CORPORATION
COMMISSION

Rhonda Mallis Rosenbaum

signature of owner/official

520-623-1332

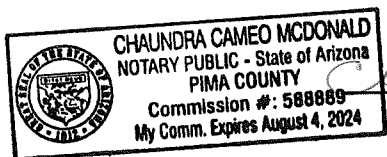
telephone no.

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

(county name)

THIS 30 DAY OF March 2021
(month) and (year)

MY COMMISSION EXPIRES 8/4/2024
(date)



Chaundra Cameo McDonald
(signature of notary public)