

**ANNUAL REPORT**

Of

Company Name:   
119 E. Andy Devine Ave.

Mailing Address: Kingman AZ  
86401

Docket No.: W-02466A  
For the Year Ended:

**RECEIVED  
BY EMAIL**

**April 15, 2021, 2:28 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:

Application Date:

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

For the Calendar Year Ended:

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:

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.

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.

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	4,425	0	0	4,425	0	4,425
304	Structures and Improvements	33,054	1,346	0	34,400	6,977	27,423
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	71,921	0	0	71,921	22,619	49,302
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	91,706	3,459	0	95,165	65,551	29,614
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	1,634	0	1,634	163	1,471
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	104,177	0	0	104,177	10,873	93,304
330.2	Pressure Tanks	1,178	0	0	1,178	383	795
331	Transmission and Distribution Mains	528,274	7,696	0	535,970	392,711	143,259
333	Services	6,729	2,780	0	9,509	6,775	2,734
334	Meters and Meter Installations	35,429	825	0	36,254	13,104	23,150
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	10,211	0	0	10,211	10,211	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	2,690	0	0	2,690	2,690	0
341	Transportation Equipment	4,500	30,530	0	35,030	6,203	28,827
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	12,037	0	0	12,037	2,378	9,659
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	53,319	0	0	53,319	48,981	4,338
346	Communication Equipment	10,822	859	0	11,681	9,965	1,716
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$970,472</b>	<b>\$49,129</b>	<b>\$0</b>	<b>\$1,019,601</b>	<b>\$599,584</b>	<b>\$420,017</b>

Walnut Creek 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	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	4,425	0	0	4,425	4,425	0	0.00%	0
304	Structures and Improvements	33,054	1,346	0	34,400	2,544	31,856	3.33%	1,038
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	71,921	0	0	71,921	0	71,921	3.33%	2,395
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	91,706	3,459	0	95,165	52,977	42,188	12.50%	5,057
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	1,634	0	1,634	0	1,634	20.00%	163
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	104,177	0	0	104,177	5,266	98,911	2.22%	2,196
330.2	Pressure Tanks	1,178	0	0	1,178	0	1,178	5.00%	59
331	Transmission and Distribution Mains	528,274	7,696	0	535,970	302,652	233,318	2.00%	4,589
333	Services	6,729	2,780	0	9,509	6,729	2,780	3.33%	46
334	Meters and Meter Installations	35,429	825	0	36,254	0	36,254	8.33%	2,986
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	10,211	0	0	10,211	10,211	0	6.67%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	2,690	0	0	2,690	2,690	0	20.00%	0
341	Transportation Equipment	4,500	30,530	0	35,030	0	35,030	20.00%	3,953
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	12,037	0	0	12,037	0	12,037	5.00%	602
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	53,319	0	0	53,319	46,475	6,844	5.00%	342
346	Communication Equipment	10,822	859	0	11,681	4,821	6,860	10.00%	643
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	<b>\$970,472</b>	<b>\$49,129</b>	<b>\$0</b>	<b>\$1,019,601</b>	<b>\$438,790</b>	<b>\$580,811</b>		<b>\$24,070</b>

Contribution(s) in Aid of Construction (Gross)	\$93,159
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<b>\$93,159</b>
Times: Proposed Amortization Rate	4.14%
<b>Amortization of CIAC</b>	<b>\$3,861</b>

Less: Amortization of CIAC \$3,861

**DEPRECIATION EXPENSE** **\$20,209**

Walnut Creek Water Company, Inc.  
Annual Report  
Balance Sheet Assets  
12/31/20

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$9,264	\$55,935
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		6,404	15,452
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	44,000
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	269
	<b>Total Current and Accrued Assets</b>		<b>\$15,668</b>	<b>\$115,656</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$970,472	\$1,019,601
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	3,941
108	Accumulated Depreciation (enter as negative)*		(575,514)	(599,584)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$394,958</b>	<b>\$423,958</b>
	<b>Total Assets</b>		<b>\$410,626</b>	<b>\$539,614</b>

\*Note these items feed automatically from AR3 UPIS Page 4

Walnut Creek Water Company, Inc.  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$2,135	\$4,536
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		525	1,200
236	Accrued Taxes		4,554	17,508
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	<b>Total Current Liabilities</b>		<b>\$7,214</b>	<b>\$23,244</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	1,355
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		93,159	93,159
272	Less: Amortization of Contributions		(7,916)	(11,777)
281	Accumulated Deferred Income Tax		0	47,215
	<b>Total Deferred Credits</b>		<b>\$85,243</b>	<b>\$129,952</b>
	<b>Total Liabilities</b>		<b>\$92,457</b>	<b>\$153,196</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$9,000	\$9,000
211	Other Paid-In Capital		674,089	780,089
215	Retained Earnings		(364,920)	(402,671)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$318,169</b>	<b>\$386,418</b>
	<b>Total Liabilities and Capital</b>		<b>\$410,626</b>	<b>\$539,614</b>

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

Walnut Creek Water Company, Inc.  
Annual Report  
Water Comparative Income Statement  
12/31/20

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$186,377	\$159,535
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	1,789	1,274
474	Other Water Revenue	0	0
	<b>Total Revenues</b>	<b>\$188,166</b>	<b>\$160,809</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$51,441	\$52,603
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	19,022	17,589
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	5,181	29,711
620.2	Office Supplies and Expense	3,226	8,573
630	Contractual Services	0	0
631	Contractual Services - Engineering	2,185	0
632	Contractual Services - Accounting	1,989	0
633	Contractual Services - Legal	207	0
634	Contractual Services - Management Fees	21,560	0
635	Contractual Services - Water Testing	1,065	1,615
636	Contractual Services - Other	0	4,635
640	Rents	0	0
641	Rental of Building/Real Property	9,000	9,000
642	Rental of Equipment	0	0
650	Transportation Expenses	7,650	7,856
657	Insurance - General Liability	5,131	6,435
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	2,796	2,555
670	Bad Debt Expense	690	0
675	Miscellaneous Expense	6,766	0
403	Depreciation Expense (From Schedule AR4)	20,209	19,939
408	Taxes Other Than Income	1,490	4,165
408.11	Property Taxes	10,188	6,552
409	Income Taxes	56,102	0
427.1	Customer Security Deposit Interest	18	0
	<b>Total Operating Expenses</b>	<b>\$225,916</b>	<b>\$171,228</b>
	<b>Operating Income / (Loss)</b>	<b>(\$37,750)</b>	<b>(\$10,419)</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	<b>Total Other Income / (Expense)</b>	<b>\$0</b>	<b>\$0</b>
	<b>Net Income / (Loss)</b>	<b>(\$37,750)</b>	<b>(\$10,419)</b>

Walnut Creek Water Company, Inc.  
 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			unable to	0.0
Engineering Staff			determine	0.0
System Operator(s)	1.0		without	1.0
Meter reader			significant	0.0
Customer Service			analysis	0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
<b>Total</b>	1.0	0.0	0.0	1.0

<b>Supplemental Financial Data (Long-Term Debt)</b>				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:	\$1,355
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Meter Deposits Refunded During the Test Year:	\$0
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<b><i>List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.</i></b>
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<b>Water Utility Plant Description (Continued)</b>
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For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	
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<b>STRUCTURES:</b>	standpipe, well house
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<b>OTHER:</b>	
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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
- (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	254
Method used:	(a)

Customer and Other Information	
Name of the System:	WALNUT CREEK WATER CO
ADEQ Public Water System Number:	AZ0408078
ADWR PCC Number:	91-000341.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	263	4	7	0	1
February	263	4	7	0	1
March	262	4	7	0	1
April	268	4	7	0	1
May	268	4	7	0	1
June	267	4	7	0	1
July	267	4	7	0	1
August	267	4	7	0	1
September	268	4	7	0	1
October	270	4	7	0	1
November	269	4	7	0	1
December	274	4	7	0	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.

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

Utility Shutoffs / Disconnects	
Name of the System:	WALNUT CREEK WATER CO
ADEQ Public Water System Number:	AZ0408078
ADWR PCC Number:	91-000341.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	0	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	0	0
November	0	0	0
December	0	2	0
<b>Total</b>	<b>0</b>	<b>2</b>	<b>0</b>

**Other (description):** N/A

**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.

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

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2020 was	
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	\$6,710
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If no property taxes paid, explain why.
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N/A
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<b>Instructions:</b> 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.
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**Verification and Sworn Statement (Taxes)**

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

County of (county name): Maricopa  
Name (owner or official) title: Bryan Thomas, CFO  
Company name: Walnut Creek 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.

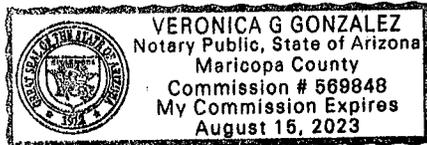
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

B.T.  
signature of owner/official

623-935-1100  
telephone no.

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

THIS 13<sup>th</sup> DAY OF April 2021  
(month) and (year)



MY COMMISSION EXPIRES August 15, 2023  
(date)

Veronica G. Gonzalez  
(signature of notary public)

**Verification and Sworn Statement**

**Verification:**

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Maricopa  
Name (owner or official) title: Bryan Thomas, CFO  
Company name: Walnut Creek 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 (\$)  
\$198,791  
(The amount in the box above includes  
\$10,625 in sales taxes  
billed or collected)

Bj T  
signature of owner/official  
623-935-1100  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY Maricopa (county name)  
THIS 13<sup>th</sup> DAY OF April 2021 (month) and (year)  
MY COMMISSION EXPIRES August 15, 2023 (date)



Veronica G Gonzalez  
(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): Maricopa  
Name (owner or official) title: Bryan Thomas, CFO  
Company name: Walnut Creek 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 (\$)

\$190,357

(The amount in the box above includes

\$10,174 in sales taxes  
billed or collected)

BTE  
signature of owner/official

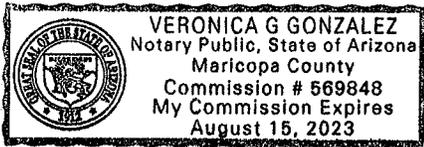
623-935-1100  
telephone no.

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

Maricopa  
(county name)

THIS 13<sup>th</sup> DAY OF April 2021  
(month) and (year)

MY COMMISSION EXPIRES August 15, 2023  
(date)



Veronica G. Gonzalez  
(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): Maricopa  
Name (owner or official) title: Bryan Thomas, CFO  
Company name: Walnut Creek 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 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.

B. T. Thomas  
signature of owner/official

623-935-1100  
telephone no.

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IN AND FOR THE COUNTY

Maricopa  
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Veronica G. Gonzalez  
(signature of notary public)