

ANNUAL REPORT

Of

Company Name: **Yarnell Water Improvement Association, Inc.**
PO Box 2389

Mailing Address: Prescott AZ
86302

Docket No.: W-02255A
For the Year Ended: 12/31/22

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: 4/27/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Yarnell Water Improvement Association, Inc.
A Class Utility

For the Calendar Year Ended: 12/31/22

Primary Address: 3021 W. WILLI STREET, STE 203
City: PRESCOTT State: Arizona Zip Code: 86301

Telephone Number: 928-445-0551

Date of Original Organization of Utility: 11/14/1972

Person to whom correspondence should be addressed concerning this report:

Name: CHERYL IBBOTSON
Telephone No. : 928-445-5606
Address: 302 W. WILLIS STREET, STE 203
City: PRESCOTT State: Arizona Zip Code: 86301
Email: cherylibbotson@gmail.com

On-Site Manager

Name: FLETCH WILES
Telephone No. : 928-606-0498
Address: PO BOX 264
City: WILLIAMS State: Arizona Zip Code: 86046
Email: fletch@iaqstuff.com

Management Contact

Name: PAT CARPENTER
Telephone No. : 928-606-0498
Address: PO BOX 264
City: WILLIAMS State: Arizona Zip Code: 86046
Email: patqualitywater@gmail.com

Statutory Agent

Name: STEVEN KREMER
Telephone No. : 860-933-4606
Address: 22861 LAKEWOOD DRIVE
City: YARNELL State: AZ Zip Code: 85362
Email: strr716@gmail.com

NA

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

Ownership: ASSOCIATION

Counties Served: Yavapai

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

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

Yarnell Water Improvement Association, Inc.
Annual Report
Utility Plant in Service (Water)
12/31/22

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	\$24,471	\$0	\$0	\$24,471	\$0	\$24,471
302	Franchises	34,884	0	0	34,884	0	34,884
303	Land and Land Rights	23,732	0	0	23,732	0	23,732
304	Structures and Improvements	59,957	0	0	59,957	59,756	201
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	41,930	11,978	0	53,908	5,726	48,182
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	41,171	0	0	41,171	25,732	15,439
311	Pumping Equipment	170,784	3,415	0	174,199	128,598	45,601
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	4,909	729	0	5,638	5,127	511
320.2	Solution Chemical Feeders	73,038	0	0	73,038	72,739	299
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	465,869	180,267	0	646,136	198,434	447,702
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	1,763,681	20,119	0	1,783,800	919,499	864,301
333	Services	92,476	0	0	92,476	19,754	72,722
334	Meters and Meter Installations	423,364	14,985	0	438,349	191,566	246,783
335	Hydrants	254,970	0	0	254,970	96,066	158,904
336	Backflow Prevention Devices	205	0	0	205	171	34
339	Other Plant and Misc. Equipment	39,143	45,475	0	84,618	43,047	41,571
340	Office Furniture and Equipment	1,027	0	0	1,027	892	135
340.1	Computer & Software	16,377	0	0	16,377	6,442	9,935
341	Transportation Equipment	7,720	0	0	7,720	7,720	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	8,123	0	0	8,123	6,418	1,705
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	5,150	0	0	5,150	804	4,346
346	Communication Equipment	160,249	0	0	160,249	152,439	7,810
347	Miscellaneous Equipment	10,826	0	0	10,826	5,973	4,853
348	Other Tangible Plant	101,115	0	0	101,115	101,115	0
	Totals	\$3,825,171	\$276,968	\$0	\$4,102,139	\$2,048,018	\$2,054,121

Yarnell Water Improvement Association, Inc.
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/22

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	\$24,471	\$0	\$0	\$24,471	\$0	\$24,471	0.00%	\$0
302	Franchises	34,884	0	0	34,884	0	34,884	0.00%	0
303	Land and Land Rights	23,732	0	0	23,732	0	23,732	0.00%	0
304	Structures and Improvements	59,957	0	0	59,957	0	59,957	3.33%	12
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	41,930	11,978	0	53,908	0	53,908	3.33%	1,737
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	41,171	0	0	41,171	0	41,171	5.00%	2,059
311	Pumping Equipment	170,784	3,415	0	174,199	0	174,199	12.50%	9,199
320	Water Treatment Equipment	0	0	0	0	0	0	3.33%	0
320.1	Water Treatment Plants	4,909	729	0	5,638	0	5,638	3.33%	146
320.2	Solution Chemical Feeders	73,038	0	0	73,038	0	73,038	20.00%	18
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	465,869	180,267	0	646,136	0	646,136	2.22%	14,358
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	1,763,681	20,119	0	1,783,800	0	1,783,800	2.00%	35,676
333	Services	92,476	0	0	92,476	0	92,476	3.33%	2,983
334	Meters and Meter Installations	423,364	14,985	0	438,349	0	438,349	8.33%	29,456
335	Hydrants	254,970	0	0	254,970	0	254,970	2.00%	5,099
336	Backflow Prevention Devices	205	0	0	205	0	205	6.67%	14
339	Other Plant and Misc. Equipment	39,143	45,475	0	84,618	0	84,618	6.67%	3,440
340	Office Furniture and Equipment	1,027	0	0	1,027	0	1,027	6.67%	69
340.1	Computer & Software	16,377	0	0	16,377	0	16,377	20.00%	2,838
341	Transportation Equipment	7,720	0	0	7,720	0	7,720	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	8,123	0	0	8,123	0	8,123	5.00%	407
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	5,150	0	0	5,150	0	5,150	5.00%	258
346	Communication Equipment	160,249	0	0	160,249	0	160,249	10.00%	5,207
347	Miscellaneous Equipment	10,826	0	0	10,826	0	10,826	10.00%	653
348	Other Tangible Plant	101,115	0	0	101,115	0	101,115	0.00%	0
	Subtotal	\$3,825,171	\$276,968	\$0	\$4,102,139	\$0	\$4,102,139		\$113,628

Contribution(s) in Aid of Construction (Gross)	\$1,789,425
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$1,789,425</u>
Times: Proposed Amortization Rate	2.77%
Amortization of CIAC	\$49,566

Less: Amortization of CIAC \$49,566

DEPRECIATION EXPENSE **\$64,061**

Yarnell Water Improvement Association, Inc.
 Annual Report
 Balance Sheet Assets
 12/31/22

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current and Accrued Assets			
131	Cash		\$329,984	\$355,346
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		29,514	25,261
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		17,696	17,696
162	Prepayments		8,658	10,067
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$385,852	\$408,370
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$3,825,171	\$4,102,139
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,944,031)	(2,048,018)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,881,140	\$2,054,121
	Total Assets		\$2,266,992	\$2,462,491

*Note these items feed automatically from AR3 UPIS Page 4

Yarnell Water Improvement Association, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$14,256	\$1,698
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		9,660	10,164
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		1,079	36
	Total Current Liabilities		\$24,995	\$11,899
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$623,464	\$606,800
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		11,599	13,461
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,528,344	1,789,425
272	Less: Amortization of Contributions		(270,686)	(332,123)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$1,269,257	\$1,470,763
	Total Liabilities		\$1,917,716	\$2,089,462
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		349,276	373,029
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$349,276	\$373,029
	Total Liabilities and Capital		\$2,266,992	\$2,462,491

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

Yarnell Water Improvement Association, Inc.
Annual Report
Water Comparative Income Statement
12/31/22

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2022 - 12/31/2022	Last Year 01/01/2021 - 12/31/2021
	Operating Revenue		
461	Metered Water Revenue	\$307,334	\$327,256
460	Unmetered Water Revenue	5,419	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	5,200	5,531
	Total Revenues	\$317,953	\$332,787
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	12,290	12,369
618	Chemicals	1,672	405
620	Materials and Supplies	4,697	807
620.1	Repairs and Maintenance	0	8,078
620.2	Office Supplies and Expense	4,910	6,684
630	Contractual Services	27,855	17,333
631	Contractual Services - Engineering	8,270	6,201
632	Contractual Services - Accounting	42,357	49,609
633	Contractual Services - Legal	0	452
634	Contractual Services - Management Fees	94,038	113,650
635	Contractual Services - Water Testing	2,228	2,180
636	Contractual Services - Other	7,682	46,042
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	15,139	14,364
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	27,199	(16,396)
403	Depreciation Expense (From Schedule AR4)	64,061	56,082
408	Taxes Other Than Income		0
408.11	Property Taxes	14,170	14,652
409	Income Taxes		0
427.1	Customer Security Deposit Interest	271	220
	Total Operating Expenses	\$326,840	\$332,732
	Operating Income / (Loss)	(\$8,887)	\$55
	Other Income / (Expense)		
419	Interest and Dividend Income	\$325	\$25
421	Non-Utility Income	6,060	5,620
426	Miscellaneous Non-Utility (Expense)		9,729
427	Interest (Expense)	(13,085)	(13,468)
	Total Other Income / (Expense)	(\$6,699)	\$1,906
	Net Income / (Loss)	(\$15,586)	\$1,961

Yarnell Water Improvement Association, Inc.
 Annual Report
 Full time equivalent employees
 12/31/22

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President			1.0	1.0
Vice-president			1.0	1.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)			1.0	1.0
Meter reader				0.0
Customer Service			1.0	1.0
Accounting			1.0	1.0
Business Office				0.0
Rates Department				0.0
Administrative Staff			1.0	1.0
Other				0.0
Total	0.0	0.0	6.0	6.0

Yarnell Water Improvement Association, Inc.
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/22

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	9/27/2003	N/A	N/A	N/A
Source of Loan	USDA RURAL	N/A	N/A	N/A
ACC Decision No.	NA	N/A	N/A	N/A
Reason for Loan	LOAN PAYOFF	N/A	N/A	N/A
Dollar Amt. Issued	\$748,656	N/A	N/A	N/A
Amount Outstanding	\$606,800	N/A	N/A	N/A
Date of Maturity	11/28/2048	N/A	N/A	N/A
Interest Rate	2.13%	N/A	N/A	N/A
Current Year Interest	\$16,663	N/A	N/A	N/A
Current Year Principal	\$13,085	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$13,461
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Meter Deposits Refunded During the Test Year:	\$1,151
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Water Utility Plant Description			
Name of the System:	0		
ADEQ Public Water System Number:	AZ0413057		
ADWR PCC Number:	91-000642-0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	0
3.00	PVC	0
4.00	PVC	7,180
6.00	PVC	62,920
8.00	CONCRETE	18,480
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	493	0%	0%
1	9	0%	0%
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			

SERVICE LINES		
Material	Percent of system	Year installed
NA		
NA		
NA		
NA		
NA		

BOOSTER PUMPS		
Horsepower	GPM	Quantity
25	120	2

FIRE HYDRANTS	
Type	Quantity
Standard *	77
Other	7

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
250,000	STEEL	2	1974
40,000	STEEL	1	
15,000	STEEL	1	

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	STEEL	1	

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	PULSATION, CHLORINATOR
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STRUCTURES:	WELL HOUSE, BOOSTER PUMP/WELL HOUSE, CHLORINE ROOM, OFFICE , YARD, SHOP
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OTHER:	N/A
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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	147
Method used:	(b)

Customer and Other Information	
Name of the System:	0
ADEQ Public Water System Number:	AZ0413057
ADWR PCC Number:	91-000642-0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	505	0	0	0	0
February	506	0	0	0	0
March	509	0	0	0	0
April	507	0	0	0	0
May	510	0	0	0	0
June	515	0	0	0	0
July	515	0	0	0	0
August	517	0	0	0	0
September	514	0	0	0	0
October	521	0	0	0	0
November	521	0	0	0	0
December	522	0	0	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 (GCPCPD) 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.

Yarnell Water Improvement Association, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	0
ADEQ Public Water System Number:	AZ0413057
ADWR PCC Number:	91-000642-0000

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	0	0
Total	0	0	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.

Yarnell Water Improvement Association, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	0
ADEQ Public Water System Number:	AZ0413057
ADWR PCC Number:	91-000642-0000

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	0	0
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.

Yarnell Water Improvement Association, Inc.
Annual Report
Verification and Sworn Statement (Taxes)
12/31/22

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: SHERRI FAGAN/TREASURER
Company name: Yarnell Water Improvement Association, Inc.

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

FOR THE YEAR ENDING: 12/31/22

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.

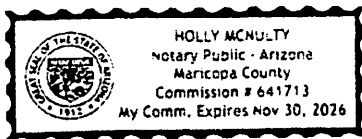
Sherrifagan
signature of owner/official

860-933-4606
telephone no.

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

THIS 26 DAY OF March
(month) and (year)

MY COMMISSION EXPIRES 11/30/26
(date)



Holly McNulty
(signature of notary public)

Yarnell Water Improvement Association, Inc.
 Annual Report
 Verification and Sworn Statement
 12/31/22

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: SHERRI FAGAN/TREASURER
 Company name: Yarnell Water Improvement Association, Inc.

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

FOR THE YEAR ENDING: 12/31/22

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 (\$)
\$331,681
 (The amount in the box above includes
\$19,733 in sales taxes
 billed or collected)

Sherrif Fagan
 signature of owner/official
 860-933-4606
 telephone no.



SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
 IN AND FOR THE COUNTY Maricopa
 (county name)
 THIS 26 DAY OF April, 2023
 (month) and (year)
 MY COMMISSION EXPIRES 11/30/26
 (date)
Holly McNulty
 (signature of notary public)

Yarnell Water Improvement Association, Inc.
 Annual Report
 Verification and Sworn Statement (Residential Revenue)
 12/31/22

Verification and Sworn Statement (Residential Revenue)

Verification:

State of Arizona, the undersigned of the
(state name)

County of (county name): Yavapai
 Name (owner or official) title: SHERRI FAGAN/TREASURER
 Company name: Yarnell Water Improvement Association, Inc.

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

FOR THE YEAR ENDING: 12/31/22

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 (\$)

\$331,681
 (The amount in the box above includes
\$19,733 in sales taxes
 billed or collected)

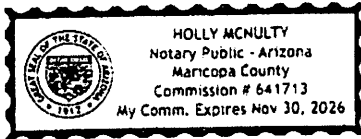
Sherrif Fagan
signature of owner/official
 860-933-4606
telephone no.

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

THIS 26 DAY OF April, 2023
(month) and (year)

MY COMMISSION EXPIRES 11/30/26
(date)

Holly McNulty
(signature of notary public)



Yarnell Water Improvement Association, Inc.
Annual Report
Full Gross-up Method for Income Tax Statement of Certification
12/31/22

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: SHERRI FAGAN/TREASURER
Company name: Yarnell Water Improvement Association, Inc.

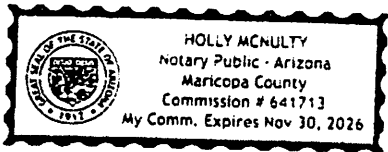
FOR THE YEAR ENDING: 12/31/22

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.

Sherril Fagan
signature of owner/official

860-933-4606
telephone no.



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

THIS 26 DAY OF April 2023
(month) and (year)

MY COMMISSION EXPIRES 11/30/26
(date)

Holly McNulty
(signature of notary public)