

**ANNUAL REPORT**

Of

Company Name: **Saddlebrooke Utility Company**  
9532 E. Riggs Rd.

Mailing Address: Sun Lakes AZ  
85248

Docket No.: **SW-02849A**  
For the Year Ended: **12/31/18**

**RECEIVED**  
**MAY 14 2019**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

**WASTEWATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdelafuente@azcc.gov](mailto:rdelafuente@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: **4/25/2019**

5-17-19

ARIZONA CORPORATION COMMISSION  
WASTEWATER UTILITY ANNUAL REPORT  
Saddlebrooke Utility Company  
A Class ☒ Utility

1. For the Calendar Year Ended: 12/31/18

2. Address: 

9532 E Riggs Road			
City:	Sun Lakes	State:	Arizona
		Zip Code:	85248

3. Telephone Number: 

480-895-9200
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4. Date of Original Organization of Utility: 

1994
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5. Person to whom correspondence should be addressed concerning this report:

Name: 

Steve Soriano
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Telephone No. : 

480-895-9200
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Address: 

9532 E Riggs Road			
City:	Sun Lakes	State:	Arizona
		Zip Code:	85248

  
Email: 

Steve.Soriano@Robson.com
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6. On-Site Manager:

Name: 

Ed MacMeans
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Telephone No. : 

520--449-2105
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Address: 

40004 S Ridgeview Blvd			
City:	Tucson	State:	Arizona
		Zip Code:	85739

  
Email: 

Ed.MacMeans@Robson.com
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7. Ownership: 

"S" Corporation
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8. Counties Served: 

Pinal
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Saddlebrooke Utility Company  
Annual Report  
Utility Plant in Service (Wastewater)  
12/31/18

Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization	\$21,369	\$0	\$0	\$21,369	\$0	\$21,369
352	Franchises	0	\$0	\$0	0	0	0
353	Land and Land Rights	125,000	\$0	\$0	125,000	0	125,000
354	Structures and Improvements	83,028	0	900	82,128	45,546	36,582
355	Power Generation Equipment	0	697	0	697	19	678
360	Collections Wastewater - Force	0	0	0	0	0	0
361	Collections Wastewater - Gravity	6,678,818	342,864	0	7,021,682	4,753,592	2,268,090
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	1,466,275	125,480	0	1,591,755	965,252	626,503
364	Flow Measuring Devices	0	0	0	0	0	0
365	Flow Measuring Installations	0	0	0	0	0	0
366	Reuse Services	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	609,870	0	0	609,870	421,528	188,342
371	Pumping Equipment	1,114,602	38,387	8,871	1,144,118	662,526	481,592
374	Reuse Distribution Reservoirs	0	0	0	0	0	0
375	Reuse Trans. And Distr. Equipment	0	384,473	0	384,473	12,816	371,657
380	Treatment and Disposal Equipment	6,572,724	34,890	30,579	6,577,035	4,881,763	1,695,272
381	Plant Sewers	0	0	0	0	0	0
382	Outfall Sewer Lines	694,685	13,798	2,854	705,629	259,654	445,975
389	Other Plant and Misc. Equipment	213,006	0	11,934	201,072	37,611	163,461
390	Office Furniture and Equipment	7,230	0	0	7,230	838	6,392
390.1	Computer & Software	10,694	0	0	10,694	1,479	9,215
391	Transportation Equipment	105,264	0	0	105,264	(5,008)	110,272
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	2,397	1,132	0	3,529	291	3,238
394	Laboratory Equipment	0	0	0	0	0	0
395	Power Operated Equipment	0	0	0	0	0	0
396	Communication Equipment	1,146	12,543	0	13,689	422	13,267
397	Miscellaneous Equipment	0	0	0	0	0	0
398	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$17,706,108</b>	<b>\$954,264</b>	<b>\$55,138</b>	<b>\$18,605,234</b>	<b>\$12,038,329</b>	<b>\$6,566,905</b>

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.

Saddlebrooke Utility Company  
Annual Report  
Depreciation Expense for the Current Year (Wastewater)  
12/31/18

Depreciation Expense for the Current Year (Wastewater)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non- depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$21,369	\$0	\$0	\$21,369	\$21,369	0.00%	\$0
352	Franchises	0	0	0	0	0	0.00%	0
353	Land and Land Rights	125,000	0	0	125,000	125,000	0.00%	0
354	Structures and Improvements	83,028	0	900	82,128	45,546	4.03%	3,309
355	Power Generation Equipment	0	697	0	697	19	2.66%	19
360	Collections Wastewater - Force	0	0	0	0	0	0.00%	0
361	Collections Wastewater - Gravity	6,678,818	342,864	0	7,021,682	4,753,592	3.87%	272,083
362	Special Collecting Structures	0	0	0	0	0	0.00%	0
363	Services to Customers	1,466,275	125,480	0	1,591,755	965,252	3.80%	60,497
364	Flow Measuring Devices	0	0	0	0	0	0.00%	0
365	Flow Measuring Installations	0	0	0	0	0	0.00%	0
366	Reuse Services	0	0	0	0	0	0.00%	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0.00%	0
370	Receiving Wells	609,870	0	0	609,870	421,528	4.00%	24,395
371	Pumping Equipment	1,114,602	38,387	8,871	1,144,118	662,526	3.94%	45,067
374	Reuse Distribution Reservoirs	0	0	0	0	0	0.00%	0
375	Reuse Trans. And Distr. Equipment	0	384,473	0	384,473	12,816	3.33%	12,816
380	Treatment and Disposal Equipment	6,572,724	34,890	30,579	6,577,035	4,881,763	4.01%	263,448
381	Plant Sewers	0	0	0	0	0	0.00%	0
382	Outfall Sewer Lines	694,685	13,798	2,854	705,629	259,654	3.95%	27,866
389	Other Plant and Misc. Equipment	213,006	0	11,934	201,072	37,611	4.43%	8,901
390	Office Furniture and Equipment	7,230	0	0	7,230	838	4.00%	289
390.1	Computer & Software	10,694	0	0	10,694	1,479	4.00%	428
391	Transportation Equipment	105,264	0	0	105,264	(5,008)	4.00%	4,211
392	Stores Equipment	0	0	0	0	0	0.00%	0
393	Tools, Shop and Garage Equipment	2,397	1,132	0	3,529	291	3.03%	107
394	Laboratory Equipment	0	0	0	0	0	0.00%	0
395	Power Operated Equipment	0	0	0	0	0	0.00%	0
396	Communication Equipment	1,146	12,543	0	13,689	422	2.15%	294
397	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
398	Other Tangible Plant	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	<b>\$17,706,108</b>	<b>\$954,264</b>	<b>\$55,138</b>	<b>\$18,605,234</b>	<b>\$12,184,698</b>		<b>\$723,729</b>

Contribution(s) in Aid of Construction (Gross) \$0

Less: Non Amortizable Contribution(s) 0

Fully Amortized Contribution(s) 0

Amortizable Contribution(s) \$0

Times: Proposed Amortization Rate 11.27%

Amortization of CIAC \$0

Less: Amortization of CIAC \$0

**DEPRECIATION EXPENSE \$723,729**

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.

Saddlebrooke Utility Company  
Annual Report  
Balance Sheet Assets  
12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$136,077	\$184,800
132	Special Deposits		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		197,428	209,976
142	Other Accounts Receivable		796	2,439
143	Accumulated Provision for Uncollectable Accounts		0	0
145	Accounts Receivable - Related Parties		6,419	4,230
146	Notes Receivable from Associated Companies		4,731,051	4,813,682
151	Plant Material and Supplies		0	0
162	Prepayments		35,956	31,986
173	Accrued Utility Revenue		0	0
174	Miscellaneous Current and Accrued Assets		386,116	386,116
181	Unamortized Debt Discounts		0	0
	<b>Total Current and Accrued Assets</b>		<b>\$5,493,843</b>	<b>\$5,633,229</b>
	<b>Deferred Debits</b>			
186.1	Deferred Rate Case Expense		\$0	\$0
	<b>Total Deferred Debits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$17,706,108	\$18,605,234
103	Property Held for Future Use		0	0
105	Construction Work in Progress		182,914	654,451
108	Accumulated Depreciation (enter as negative)*		(11,369,946)	(12,038,329)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$6,519,076</b>	<b>\$7,221,356</b>
	<b>Total Assets</b>		<b>\$12,012,919</b>	<b>\$12,854,585</b>

**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.

Note these items feed automatically from the adjusted end of year balance from AR4.

Saddlebrooke Utility Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$165,922	\$98,475
232	Notes Payable (Current Portion)		0	0
233	Accounts Payable - Related Party		52	263,860
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		60,118	61,856
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		20,838	24,028
253	Other Deferred Credits		0	0
	<b>Total Current Liabilities</b>		<b>\$246,930</b>	<b>\$448,219</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Total Long Term Debt</b>		<b>\$0</b>	<b>\$0</b>
	<b>Deferred Credits</b>			
252	Advances in Aid of Construction		\$0	\$0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$246,930</b>	<b>\$448,219</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$98,472	\$98,472
211	Other Paid-In Capital		3,224,839	3,224,839
215	Retained Earnings		8,442,678	9,083,055
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$11,765,989</b>	<b>\$12,406,366</b>
	<b>Total Liabilities and Capital</b>		<b>\$12,012,919</b>	<b>\$12,854,585</b>

**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.

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

Saddlebrooke Utility Company  
Annual Report  
Wastewater Comparative Income Statement  
12/31/18

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 -	Last Year 01/01/2017 -
	<b>Operating Revenue</b>		
521	Flat Rate Revenues	\$2,378,832	\$2,356,174
522	Measured Revenues	80,538	83,898
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	73,355	76,944
	<b>Total Revenues</b>	<b>\$2,532,725</b>	<b>\$2,517,016</b>
	<b>Operating Expenses</b>		
701	Salaries and Wages	\$118,565	\$106,073
703	Salaries and Wages - Officers	25,071	\$25,071
704	Employee Pensions and Benefits	23,419	19,993
710	Purchased Wastewater Treatment	0	0
711	Sludge Removal Expense	62,772	47,278
715	Purchased Power	219,268	176,984
716	Fuel for Power Production	0	0
718	Chemicals	15,236	11,195
720	Materials and Supplies	0	0
720.1	Repairs and Maintenance	16,090	11,705
720.2	Office Supplies and Expense	44,842	45,978
721	Office Expense	0	0
731	Contractual Services - Engineering	0	0
732	Contractual Services - Accounting	795	795
733	Contractual Services - Legal	1,263	450
734	Contractual Services - Management Fees	0	0
735	Contractual Services - Testing	16,771	21,875
736	Contractual Services - Other	30,336	51,465
740	Rents - Building	3,945	3,445
742	Rents - Equipment	0	0
750	Transportation Expenses	15,855	13,445
756	Insurance - Vehicle	1,882	3,011
757	Insurance - General Liability	22,690	21,274
758	Insurance - Worker's Compensation	0	0
759	Insurance - Other	0	0
760	Advertising Expense	0	0
766	Regulatory Commission Expense - Rate Case	0	0
767	Regulatory Commission Expense - Other	0	0
770	Bad Debt Expense	1,367	2,001
775	Miscellaneous Expense	7,021	10,966
403	Depreciation Expense (From Schedule AR4)	723,729	700,761
408	Taxes Other Than Income	13,531	11,241
408.11	Property Taxes	106,841	107,919
408.12	Payroll Taxes	8,519	6,399
409	Income Taxes	0	0
	<b>Total Operating Expenses</b>	<b>\$1,499,808</b>	<b>\$1,399,324</b>
	<b>Operating Income / (Loss)</b>	<b>\$1,032,917</b>	<b>\$1,117,692</b>
	<b>Other Income / (Expense)</b>		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	200,230	154,506
421	Non-Utility Income	5,010	3,289
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	<b>Total Other Income / (Expense)</b>	<b>\$205,240</b>	<b>\$157,795</b>
	<b>Net Income / (Loss)</b>	<b>\$1,238,157</b>	<b>\$1,275,487</b>

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.

Saddlebrooke Utility Company  
Annual Report  
Full time equivalent employees  
12/31/18

**Full time equivalent employees**

	Direct Company	Outside service	Total
President	0.0000	0.0013	0.0013
Vice-president	0.0090	0.0000	0.0090
Manager	0.3308	0.1000	0.4308
Engineering Staff	0.0000	0.0000	0.0000
System Operator(s)	1.7141	0.0000	1.7141
Customer Service	0.1954	0.0000	0.1954
Accounting	0.0000	0.3900	0.3900
Business Office	0.0000	0.0080	0.0080
Rates Department	0.0000	0.0000	0.0000
Administrative Staff	0.0293	0.0000	0.0293
Other	0.0000	0.0000	0.0000
<b>Total</b>	<b>2.2786</b>	<b>0.4993</b>	<b>2.7779</b>

**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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.



Saddlebrooke Utility Company  
Annual Report  
Supplemental Financial Data (Long-Term Debt)  
12/31/18

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	1/18/1996	n/a	n/a	n/a
Source of Loan	IDA Bonds	n/a	n/a	n/a
ACC Decision No.	59134	n/a	n/a	n/a
Reason for Loan	Construction	n/a	n/a	n/a
Dollar Amt. Issued	\$3,950,000	n/a	n/a	n/a
Amount Outstanding	\$0	n/a	n/a	n/a
Date of Maturity	7/1/2019	n/a	n/a	n/a
Interest Rate	7.25%	n/a	n/a	n/a
Current Year Interest	\$0	n/a	n/a	n/a
Current Year Principal	\$0	n/a	n/a	n/a

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.*

Saddlebrooke Utility Company  
Annual Report  
Wastewater Utility Plant Description  
12/31/18

Wastewater Utility Plant Description		
Name of System:	Saddlebrooke Utility Company	
Wastewater Inventory Number (if applicable):	none	
Type of Treatment	other	
Design Capacity of Plant (Gallons per day)	1,240,000	

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Construction Yard	2	3	50	1000
Unit 7	2	3	50	1020
Unit 9	2	8	140	677
Unit 19	2	5	140	888
Unit 27	2	5	120	380
Unit 36	2	20	500	1800
Unit 21 North	2	40	131	1197
Unit 21 South	2	88	275	1795
Unit 46	2	20	600	1800
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a

FORCE MAINS		
Size	Material	Length (Feet)
4 inch	PVC	1,772
6 inch	PVC	8,046
<4 inch	PVC	8,002
>6 inch	PVC	2,797
na	na	na
na	na	na
na	na	na
na	na	na
na	na	na
na	na	na
na	na	na

MANHOLES	
Type	Quantity
Standard	1,048
Drop	11

CLEANOUTS	
	Quantity
	135
	0
	0
	0

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

**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. Copy and paste this sheet as many times as is necessary.

Saddlebrooke Utility Company  
Annual Report  
Wastewater Utility Plant Description (Continued)

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4	PVC	6,302	4	PVC	5,268
8	PVC	275,296	6	NA	0
10	PVC	2,787	8	NA	0
3	PVC	760	10	NA	0
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			
NA	NA	N/A			

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

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Centrifuge
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Ultra-Violet
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Sand and Anthracite
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Generators, Vehicles, Microscope
<b>Other</b> (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Generators, Vehicles, Microscope

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

**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. Copy and paste this sheet as many times as is necessary.

Saddlebrooke Utility Company  
Annual Report  
Wastewater Flows  
12/31/18

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day	Purchased Power Expense <sup>1</sup>	Purchased Power (kWh) <sup>2</sup>
January	5,029	14,897,300	556,000	\$17,581	134,389
February	5,036	13,717,000	626,600	19,484	132,768
March	5,041	15,119,110	537,900	18,960	147,882
April	5,043	13,518,400	502,000	18,648	137,026
May	5,046	11,919,900	410,400	19,368	138,158
June	5,047	10,328,900	391,600	19,920	135,151
July	5,049	11,226,900	434,400	17,195	112,054
August	5,052	10,957,300	396,600	17,180	117,252
September	5,056	10,755,500	442,700	17,034	117,367
October	5,061	12,604,400	498,000	17,679	117,058
November	5,060	13,351,800	502,400	16,075	112,792
December	5,066	13,536,400	500,000	20,145	145,462
	<b>Totals</b>	<b>151,932,910</b>	<b>5,798,600</b>	<b>\$219,268</b>	<b>1,547,359</b>

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Reuse
Groundwater Permit Number	100356
ADEQ Aquifer Protection Permit ("APP") Number	N/A
ADEQ Reuse Permit Number	PL00356
EPA NPDES Permil Number	AZ0022853
APP Effluent Treatment Requirement (Class)?	A+
Permitted Flow Rate	1.24 MGD
Permitted Organic Capacity	280 mg/l (BOD design inflow)
Hydraulic Capacity	3.72 MGD (Peak)
Type of Biological Treatment	Extended Aeration

In the space below, list all violations within the past 12 months:

N/A

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

1 Enter the total purchased power costs for the power meters associated with this system.

2 Enter the total purchased kWh used by the power meters associated with this system.

**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.

Saddlebrooke Utility Company  
Annual Report  
Property Taxes  
12/31/18

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2018 was	\$107,158

<b>If no property taxes paid, explain why.</b>
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.

Saddlebrooke Utility Company  
Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/18

RECEIVED

APR 26 2019

Verification and Sworn Statement (Taxes)

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

County of (county name): Maricopa  
Name (owner or official) title: Steve Soriano - General Manager  
Company name: Saddlebrooke Utility Company

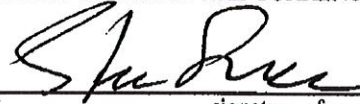
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/18

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.



signature of owner/official

480-895-9200

telephone no.

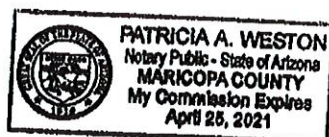
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

THIS 26<sup>th</sup> DAY OF

Maricopa  
(county name)  
April 2019  
(month) and (year)

MY COMMISSION EXPIRES

4/25/21  
(date)



  
(signature of notary public)



RECEIVED

APR 26 2019

Verification and Sworn Statement

Verification:

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

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

County of (county name):

Maricopa

Name (owner or official) title:

Steve Soriano - General Manager

Company name:

Saddlebrooke Utility Company

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$2,539,322

(The amount in the box above includes

\$6,596

in sales taxes  
billed or collected)

Steve Soriano

signature of owner/official

480-895-9200

telephone no.

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

THIS

26<sup>th</sup>

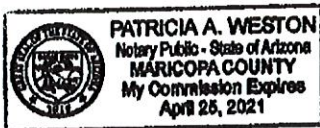
DAY OF

Maricopa  
(county name)

April, 2019  
(month) and (year)

MY COMMISSION EXPIRES

4/25/21  
(date)



Patricia A. Weston  
(signature of notary public)

RECEIVED

APR 26 2019

Verification and Sworn Statement (Residential Revenue)

Verification:

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

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

County of (county name):

Maricopa

Name (owner or official) title:

Steve Soriano - General Manager

Company name:

Saddlebrooke Utility Company

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$2,385,553

(The amount in the box above includes

\$0 in sales taxes

billed or collected)

Steve Soriano

signature of owner/official

480-895-9200

telephone no.

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

Maricopa  
(county name)

THIS

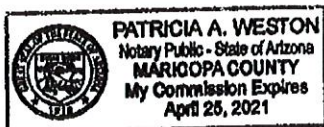
26th

DAY OF

April 2019  
(month) and (year)

MY COMMISSION EXPIRES

4/25/21  
(date)



Patricia A. Weston  
(signature of notary public)