

ANNUAL REPORT

Of

Company Name: Desert Valencia Water, Inc.
10858 N. Sand Canyon Place

Mailing Address: Tucson AZ
85737

Docket No.: W-20801A
For the Year Ended: 12/31/18

RECEIVED

APR 04 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefuente@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: 4/4/2019

4-5-19

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Desert Valencia Water, Inc.
A Class Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

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

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

6. On-Site Manager:

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

7. Ownership:

8. Counties Served:

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	6,400	0	0	6,400	0	6,400
304	Structures and Improvements	0	0	0	0	0	0
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	0	0	0	0	0	0
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	2,671	0	0	2,671	2,270	401
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	0	0	0	0	0	0
330.2	Pressure Tanks	5,783	0	0	5,783	4,914	869
331	Transmission and Distribution Mains	0	0	0	0	0	0
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	28,139	0	0	28,139	7,211	20,928
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	22,442	0	0	22,442	14,217	8,225
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	7,994	0	0	7,994	4,695	3,299
	Totals	\$73,429	\$0	\$0	\$73,429	\$33,307	\$40,122

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.

Desert Valencia Water, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/18

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,400	0	0	6,400	38,448	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	0	0	0	0	0	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0.00%	0
311	Pumping Equipment	2,671	0	0	2,671	0	10.00%	267
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	5,783	0	0	5,783	0	10.00%	578
331	Transmission and Distribution Mains	0	0	0	0	0	0.00%	0
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	28,139	0	0	28,139	0	5.00%	1,407
335	Hydrants	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	22,442	0	0	22,442	0	6.67%	1,497
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	7,994	0	0	7,994	0	10.00%	799
	Subtotal	\$73,429	\$0	\$0	\$73,429	\$38,448		\$4,549

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 13.00%
Amortization of CIAC \$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

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.

Desert Valencia Water, Inc.
 Annual Report
 Balance Sheet Assets
 12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash		\$6,083	\$5,651
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		2,701	2,321
162	Prepayments		3,575	3,575
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$12,359	\$11,547
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$73,429	\$73,429
103	Property Held for Future Use		2,544	2,554
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(28,759)	(33,307)
121	Non-Utility Property		2,278	2,278
122	Accumulated Depreciation - Non Utility		(1,367)	(1,519)
	Total Fixed Assets		\$48,125	\$43,435
	Total Assets		\$60,484	\$54,982

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 AR3 UPIS Page 3

Desert Valencia Water, Inc.
 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)
Account No.	Current Liabilities			
231	Accounts Payable		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$0	\$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$0	\$0
	Total Liabilites		\$0	\$0
	Capital Accounts			
201	Common Stock Issued		\$30,000	\$30,000
211	Other Paid-In Capital		0	0
215	Retained Earnings		30,484	24,982
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$60,484	\$54,982
	Total Liabilities and Capital		\$60,484	\$54,982

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

Desert Valencia Water, Inc.
Annual Report
Water Comparative Income Statement
12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$2,567	\$1,989
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	0	0
	Total Revenues	\$2,567	\$1,989
	Operating Expenses		
601	Salaries and Wages	\$5,523	\$6,220
604	Employee Pensions and Benefits	0	0
610	Purchased Water	7,150	7,150
615	Purchased Power	1,239	1,207
618	Chemicals	443	871
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	567	4,860
620.2	Office Supplies and Expense	205	129
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	1,670	1,590
633	Contractual Services - Legal	0	523
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	485	400
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	112	282
657	Insurance - General Liability	591	702
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	190	202
403	Depreciation Expense (From Schedule AR4)	4,549	4,548
408	Taxes Other Than Income	193	206
408.11	Property Taxes	102	99
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$23,019	\$28,989
	Operating Income / (Loss)	(\$20,452)	(\$27,000)
	Other Income / (Expense)		
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
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$20,452)	(\$27,000)

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.

Desert Valencia Water, Inc.
 Annual Report
 Full time equivalent employees
 12/31/18

Full time equivalent employees

	Direct Company	Outside service	Total
President	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0
Manager	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0
System Operator(s)	0.0	1.0	1.0
Meter reader	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0
Accounting	0.0	1.0	1.0
Business Office	1.0	0.0	1.0
Rates Department	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0
Other	0.0	0.0	0.0
Total	1.0	2.0	3.0

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.

Desert Valencia Water, Inc.
 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	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

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

Well and Water Usage									
Name of the System:									
ADEQ Public Water System Number:									
ADWR PCC Number:									
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Meter Size (inches)	How measured:	Active
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
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0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0		

Name of system water delivered to: _____
 ADWR PCC Number: _____
 Source of water delivered to another system: _____

Name of system water received from: WELLTON-MOHAWK IRRIGATION
 ADWR PCC Number: 91-000733.0000
 Source of water received: Colorado River
 Well registry 55# (55-XXXXXX): _____

Month	Water withdrawn (acre ft) ¹	Water sold (acre ft) ²	Water delivered (sold) to other systems (acre ft) ³	Water received (purchased) from other systems (acre ft) ⁴	Estimated authorized use (acre ft) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	1	0	0	0	0	\$74	400
February	1	0	0	0	0	61	322
March	1	1	0	0	0	65	348
April	1	1	0	0	0	65	347
May	1	1	0	0	0	67	356
June	1	1	0	0	0	91	500
July	1	1	0	0	0	116	554
August	2	2	0	0	0	147	886
September	1	1	0	0	0	123	687
October	1	1	0	0	0	100	464
November	1	1	0	0	0	92	508
December	1	1	0	0	0	98	551
Totals	13	10	0	0	2	\$1,099	5,923

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 Estimated use for back flushing filters = .43, estimated use for watering community trees = .75, metered use for chlorinating system = .63

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.

- 1 Water withdrawn - Total acre feet of water withdrawn from pumped sources.
- 2 Water sold - Total acre feet from customer meters, and other sales such as construction water.
- 3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.
- 4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.
- 5 Estimated authorized use - Total estimated acre feet from authorized metered or un-metered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
- 6 Enter the total purchased power costs for the power meters associated with this system.
- 7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description

Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	3,577
6.00	Cement	2,020
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	14
0.75	9
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0

SERVICE LINES	
Material	Percent of system
PVC	100%
NA	0%
NA	0%
NA	0%
NA	0%

BOOSTER PUMPS		
Horsepower	GPM	Quantity
15	Unknown	1
0	0	0
0	0	0
0	0	0

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
20,000	steel	1
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
1,000	Steel	1
3,000	Steel	1
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0

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.

* 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:	Sand Filters, Chlorine Treatment
STRUCTURES:	Chain link fence around water plant, Small frame building
OTHER:	Contract to furnish M & I water from the Mohawk canal with Wellton-Mohawk Irrigation and Drainage District for 250 Acre feet per year, 6 Acres of Land

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.

Customer and Other Information	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	8	0	0	0	0
February	8	0	0	0	0
March	8	0	0	0	0
April	8	0	0	0	0
May	8	0	0	0	0
June	8	0	0	0	0
July	8	0	0	0	0
August	8	0	0	0	0
September	8	0	0	0	0
October	8	0	0	0	0
November	8	0	0	0	0
December	8	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 (GPCPD) requirement?

If yes, provide the GPCPD amount:

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

If yes, which AMA?

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.

Desert Valencia Water, Inc.
Annual Report
Property Taxes
12/31/18

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2018 was	\$102
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If no property taxes paid, explain why.
0

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.

Desert Valencia Water, Inc.
Annual Report
Verification and Sworn Statement (Taxes)
12/31/18

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Verification and Sworn Statement (Taxes)

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

APR 04 2019

County of (county name): Pima
Name (owner or official) title: Scott Wootton - President
Company name: Desert Valencia Water, Inc.

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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.

Scott Wootton
signature of owner/official

520-812-7533
telephone no.

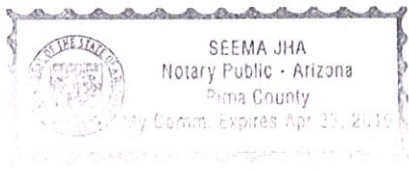
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 3rd DAY OF PIMA 04 2019
(county name) (month) and (year)

MY COMMISSION EXPIRES

04/23/2019
(date)

[Signature]
(signature of notary public)



RECEIVED

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: Scott Wootton - President

Company name: Desert Valencia Water, Inc.

APR 04 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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.

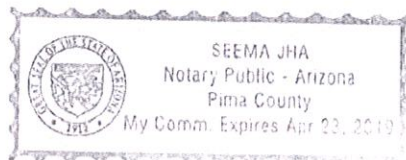
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$2,567
(The amount in the box above includes \$148 in sales taxes billed or collected)

Scott Wootton
signature of owner/official
520-812-7533
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY PIMA
THIS 3rd DAY OF 04 2019
(month) and (year)

MY COMMISSION EXPIRES 04/23/2019
(date)
[Signature]
(signature of notary public)



Verification and Sworn Statement (Residential Revenue)

RECEIVED

Verification:

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

County of (county name): Pima
Name (owner or official) title: Scott Wootton - President
Company name: Desert Valencia Water, Inc.

APR 04 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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 (\$)

\$2,567

(The amount in the box above includes

\$148 in sales taxes
billed or collected)

Scott Wootton

signature of owner/official

520-812-7533

telephone no.

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

PIMA

(county name)

THIS

3rd

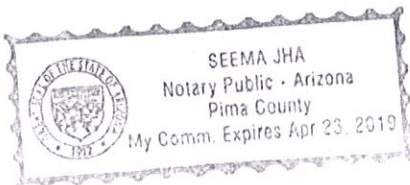
DAY OF

04 2019

(month) and (year)

MY COMMISSION EXPIRES

04/23/2019
(date)



[Signature]
(signature of notary public)