

ANNUAL REPORT

Of

Company Name: Gadsden Water Company, Inc.
PO Box 519

Mailing Address: Somerton AZ
85350

Docket No.: W-02205A
For the Year Ended: 12/31/18

RECEIVED
APR 01 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: 3/28/2019

4-5-19

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

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

2. Address:

P.O Box 519			
City: Somerton	State: Arizona	Zip Code: 85350	

3. Telephone Number: 928-344-4222

4. Date of Original Organization of Utility: 5/29/1988

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

Name: Jimmy A. Deere
Telephone No. : 928-344-4222
Address: 14781 S Ave B
City: Somerton State: Arizona Zip Code: 85350
Email: Igdeere@earthlink.net

6. On-Site Manager:

Name: Jimmy A. Deere
Telephone No. : 928-344-4222
Address: 14781 S Ave B
City: Somerton State: Arizona Zip Code: 85350
Email: Igdeere@earthlink.net

7. Ownership: "S" Corporation

8. Counties Served: Yuma

Gadsden Water Company, Inc.
Annual Report
Utility Plant in Service (Water)
12/31/18

Utility Plant in Service (Water)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCI.D (OC less AD)	
301	Organization	\$1,221	\$0	\$0	\$1,221	\$1,221	\$0	
302	Franchises	0	0	0	0	0	0	
303	Land and Land Rights	3,500	0	0	3,500	0	3,500	
304	Structures and Improvements	1,428	0	0	1,428	1,051	377	
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	12,754	0	0	12,754	12,754	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	6,380	0	0	6,380	4,250	2,130	
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	3,749	0	0	3,749	3,749	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	11,746	0	0	11,746	10,697	1,049	
330.2	Pressure Tanks	768	0	0	768	768	0	
331	Transmission and Distribution Mains	9,373	0	0	9,373	9,373	0	
333	Services	0	0	0	0	0	0	
334	Meters and Meter Installations	9,350	0	0	9,350	6,966	2,384	
335	Hydrants	1,239	0	0	1,239	629	610	
336	Backflow Prevention Devices	0	0	0	0	0	0	
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	
340	Office Furniture and Equipment	0	0	0	0	0	0	
340.1	Computer & Software	1,910	0	0	1,910	1,719	191	
341	Transportation Equipment	0	16,143	0	16,143	1,076	15,067	
342	Stores Equipment	0	0	0	0	0	0	
343	Tools, Shop and Garage Equipment	1,556	0	0	1,556	1,341	215	
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	5,300	0	0	5,300	1,206	4,094	
348	Other Tangible Plant	0	0	0	0	0	0	
	Totals	\$70,274	\$16,143	\$0	\$86,417	\$56,800	\$29,617	

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.

Gadsden Water Company, 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	\$1,221	\$0	\$0	\$1,221	\$1,221	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	3,500	0	0	3,500	3,500	0.00%	0
304	Structures and Improvements	1,428	0	0	1,428	971	3.33%	15
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	12,754	0	0	12,754	12,754	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	6,380	0	0	6,380	0	10.94%	698
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	3,749	0	0	3,749	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	11,746	0	0	11,746	0	2.22%	261
330.2	Pressure Tanks	768	0	0	768	768	0.00%	0
331	Transmission and Distribution Mains	9,373	0	0	9,373	0	0.00%	0
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	9,350	0	0	9,350	6,640	8.30%	225
335	Hydrants	1,239	0	0	1,239	0	2.00%	25
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	1,910	0	0	1,910	0	6.66%	127
341	Transportation Equipment	0	16,143	0	16,143	0	13.33%	1,076
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	1,556	0	0	1,556	370	5.00%	59
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	5,300	0	0	5,300	0	6.66%	353
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$70,274	\$16,143	\$0	\$86,417	\$26,224		\$2,839

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 4.72%
 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.

Gadsden Water Company, 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		\$50,777	\$48,615
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	2,100
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$50,777	\$50,715
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$70,274	\$86,417
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(53,961)	(56,800)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$16,313	\$29,617
	Total Assets		\$67,090	\$80,332

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

Gadsden Water Company, 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		\$1,487	\$2,805
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		221	231
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		97,008	97,008
	Total Current Liabilities		\$98,716	\$100,044
	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		\$98,716	\$100,044
	Capital Accounts			
201	Common Stock Issued		\$50,000	\$50,000
211	Other Paid-In Capital		(42,373)	(42,373)
215	Retained Earnings		(39,253)	(27,339)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		(\$31,626)	(\$19,712)
	Total Liabilities and Capital		\$67,090	\$80,332

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!

Gadsden Water Company, 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	\$44,455	\$45,521
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	2,890	0
474	Other Water Revenue	0	0
	Total Revenues	\$47,345	\$45,521
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	5,688	6,043
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	3,422	4,335
620.2	Office Supplies and Expense	3,661	3,481
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	1,375	2,000
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,360	2,600
636	Contractual Services - Other	13,550	10,789
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	125	0
657	Insurance - General Liability	1,102	1,175
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	141	197
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	0	513
403	Depreciation Expense (From Schedule AR4)	2,839	2,411
408	Taxes Other Than Income	0	0
408.11	Property Taxes	2,168	2,194
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$35,431	\$35,738
	Operating Income / (Loss)	\$11,914	\$9,783
	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)	\$11,914	\$9,783

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.

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	0.0	0.0
Meter reader	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0
Accounting	0.0	0.0	0.0
Business Office	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0
Other	0.0	0.0	0.0
Total	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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

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

Meter Deposit Balance at Test Year End:	NA
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Meter Deposits Refunded During the Test Year:	NA
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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:		GADSDEN WC							
ADEQ Public Water System Number:		AZ0414037							
ADWR PCC Number:		91-000719.0000							
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
14-037	10	300	180	8	Submersible	1984	2x2	Metered	Yes
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No
								Estimated	No

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

Name of system water received from: _____
 ADWR PCC Number: _____
 Source of water received: _____
 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	5	5	0	0	0	\$372	2,315
February	5	5	0	0	0	341	2,070
March	5	5	0	0	0	374	2,371
April	6	5	0	0	0	434	2,785
May	8	7	0	0	0	619	3,600
June	8	7	0	0	0	588	3,445
July	8	7	0	0	0	613	3,649
August	7	6	0	0	0	578	3,459
September	7	6	0	0	0	564	3,360
October	7	6	0	0	0	437	2,561
November	7	6	0	0	0	438	2,869
December	5	4	0	0	0	330	2,115
Totals	78	69	0	0	0	\$5,688	34,599

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

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 unmetered 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:	GADSDEN WC	
ADEQ Public Water System Number:	AZ0414037	
ADWR PCC Number:	91-000719.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	NA	
3.00	NA	
4.00	NA	
5.00	NA	
6.00	CL 150	6849 LF
8.00	CL 150	6403 LF
10.00	CL 150	1173 LF
12.00	NA	
14.00	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	185
0.75	0
1	0
1.5	0
2	4
Turbine 2	
NA	
NA	
NA	
NA	
NA	
NA	
NA	
NA	
NA	
NA	
NA	
NA	

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

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	250	1
7.5	350	1
10	450	2

FIRE HYDRANTS	
Type	Quantity
Standard *	1
Other	0

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
50,000	Steel	1

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
2,000	Steel	1

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:	Sentry 1 Chlorinator
-----------------------------	----------------------

STRUCTURES:	8'x12' Storage Shed; 8'x10' Cantra Shed
--------------------	---

OTHER:	
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Customer and Other Information	
Name of the System:	GADSDEN WC
ADEQ Public Water System Number:	AZ0414037
ADWR PCC Number:	91-000719.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	170	0	16	0	0
February	174	0	16	0	0
March	172	0	17	0	0
April	173	0	16	0	0
May	173	0	17	0	0
June	173	0	17	0	0
July	174	0	17	0	0
August	173	0	17	0	0
September	173	0	16	0	0
October	173	0	16	0	0
November	173	0	17	0	0
December	173	0	17	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.

Property Taxes	
-----------------------	--

Amount of actual property taxes paid during Calendar Year 2018 was	\$2,168
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If no property taxes paid, explain why.

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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.

Verification and Sworn Statement (Taxes)

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

County of (county name): Yuma
Name (owner or official) title: Jimmy A. Deere, President
Company name: Gadsden Water Company, Inc.

RECEIVED
APR 01 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: 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.

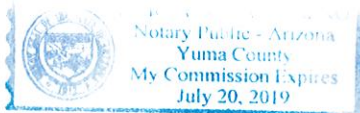
Jimmy A. Deere
signature of owner/official

928-344-4222
telephone no.

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

THIS 29th DAY OF March 2019
(month) and (year)

MY COMMISSION EXPIRES July 20 2019
(date)



Alicia Ina Briseno
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Yuma
Name (owner or official) title: Jimmy A. Deere, President
Company name: Gadsden Water Company, Inc.

RECEIVED
APR 01 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 (\$)

\$50,266

(The amount in the box above includes

\$2,921 in sales taxes
billed or collected)

[Handwritten Signature]

signature of owner/official

928-344-4222

telephone no.

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

THIS

29th

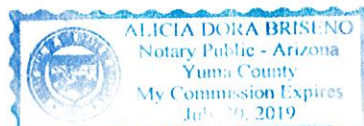
DAY OF

Yuma
(county name)

March 2017
(month) and (year)

MY COMMISSION EXPIRES

July 20, 2019
(date)



[Handwritten Signature]
(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):

Yuma

Name (owner or official) title:

Jimmy A. Deere, President

Company name:

Gadsden Water Company, Inc.

RECEIVED
APR 01 2019
ARIZONA UTILITIES DIVISION
CORP COMMISSION
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 (\$)

\$50,266

(The amount in the box above includes

\$2,921

in sales taxes billed or collected)

Jimmy A. Deere

signature of owner/official

928-344-4222

telephone no.

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

Yuma

(county name)

THIS

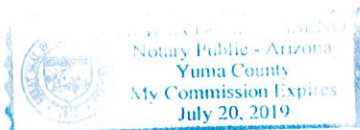
29th

DAY OF

March 2019
(month) and (year)

MY COMMISSION EXPIRES

July 20, 2019
(date)



Alicia Dana Briseno

(signature of notary public)