

**ANNUAL REPORT**

Of

Company Name: Hydro-Resources, Inc.  
PO Box 3246  
Mailing Address: 549 Camper Village Lane  
Grand Canyon AZ  
86023

Docket No.: W-20770A  
For the Year Ended: 12/31/18

**RECEIVED**  
**APR 19 2019**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

**WATER 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: 4/23/2019

4-23-19

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT

Hydro-Resources, Inc.

A Class ☐ Utility

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

2. Address: 

PO Box 3246			
City:	Grand Canyon	State:	Arizona
		Zip Code:	86023

3. Telephone Number: 

928-522-4405
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4. Date of Original Organization of Utility: 

7/8/2016
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5. Person to whom correspondence should be addressed concerning this report:

Name: 

John Rueter
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Telephone No. : 

928-522-4405
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Address: 

PO Box 3246			
City:	Grand Canyon	State:	Arizona
		Zip Code:	86023

  
Email: 

john@jwrueter.com
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6. On-Site Manager:

Name: 

John Rueter
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Telephone No. : 

928-522-4405
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Address: 

PO Box 3246			
City:	Grand Canyon	State:	Arizona
		Zip Code:	86023

  
Email: 

john@jwrueter.com
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7. Ownership: 

"S" Corporation
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8. Counties Served: 

Coconino
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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	\$258,392	\$0	\$0	\$258,392	\$258,392	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	137,407	0	0	137,407	136,769	638
304	Structures and Improvements	22,696	0	0	22,696	2,268	20,428
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	829,115	7,037	0	836,152	504,533	331,619
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	155,430	0	0	155,430	60,459	94,971
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	64,341	0	0	64,341	45,352	18,989
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	155,554	0	0	155,554	9,203	146,351
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	30,906	16,243	0	47,149	4,112	43,037
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	62,923	0	0	62,923	24,897	38,026
340	Office Furniture and Equipment	3,021	0	0	3,021	1,831	1,190
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	34,567	0	0	34,567	28,739	5,828
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	32,644	4,160	0	36,804	4,699	32,105
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	58,037	0	0	58,037	25,262	32,775
346	Communication Equipment	2,074	0	0	2,074	621	1,453
347	Miscellaneous Equipment	7,836	0	0	7,836	2,352	5,484
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$1,854,943</b>	<b>\$27,440</b>	<b>\$0</b>	<b>\$1,882,383</b>	<b>\$1,109,489</b>	<b>\$772,894</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.

Hydro-Resources, 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	\$258,392	\$0	\$0	\$258,392	\$258,392	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	137,407	0	0	137,407	0	0.00%	0
304	Structures and Improvements	22,696	0	0	22,696	0	3.33%	756
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	829,115	7,037	0	836,152	0	3.33%	27,727
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	155,430	0	0	155,430	0	12.50%	19,429
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	64,341	0	0	64,341	0	2.22%	1,428
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	155,554	0	0	155,554	0	2.00%	3,111
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	30,906	16,243	0	47,149	0	8.33%	3,251
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	62,923	0	0	62,923	0	6.67%	4,197
340	Office Furniture and Equipment	3,021	0	0	3,021	0	6.67%	202
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	34,567	0	0	34,567	0	20.00%	6,913
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	32,644	4,160	0	36,804	0	5.00%	1,736
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	58,037	0	0	58,037	0	5.00%	2,902
346	Communication Equipment	2,074	0	0	2,074	0	10.00%	207
347	Miscellaneous Equipment	7,836	0	0	7,836	0	10.00%	784
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	<b>Subtotal</b>	<b>\$1,854,943</b>	<b>\$27,440</b>	<b>\$0</b>	<b>\$1,882,383</b>	<b>\$258,392</b>		<b>\$72,643</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	4.47%
<b>Amortization of CIAC</b>	<b>\$0</b>

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.

Hydro-Resources, 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.	<b>Current and Accrued Assets</b>			
131	Cash		\$89,606	\$119,206
134	Working Funds			
135	Temporary Cash Investments		110,009	155,038
141	Customer Accounts Receivable		49,291	50,202
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments		6,894	7,274
174	Miscellaneous Current and Accrued Assets			
	<b>Total Current and Accrued Assets</b>		<b>\$255,800</b>	<b>\$331,720</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$1,854,943	\$1,882,383
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(1,109,489)	(1,109,489)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$745,454</b>	<b>\$772,894</b>
	<b>Total Assets</b>		<b>\$1,001,254</b>	<b>\$1,104,614</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 AR3 UPIS Page 3

Hydro-Resources, 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.	<b>Current Liabilities</b>			
231	Accounts Payable		\$33,939	\$9,240
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes		5,967	5,984
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities		1,389	2,612
	<b>Total Current Liabilities</b>		<b>\$41,295</b>	<b>\$17,836</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)			
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction			
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction			
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$41,295</b>	<b>\$17,836</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$50,000	\$50,000
211	Other Paid-In Capital		30,081	30,081
215	Retained Earnings		879,878	1,006,697
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>\$959,959</b>	<b>\$1,086,778</b>
	<b>Total Liabilities and Capital</b>		<b>\$1,001,254</b>	<b>\$1,104,614</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:** Total liabilities and Capital must match total assets for the beginning and end of the year!

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$592,763	\$579,849
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	<b>Total Revenues</b>	<b>\$592,763</b>	<b>\$579,849</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$115,812	\$100,375
604	Employee Pensions and Benefits	1,775	1,740
610	Purchased Water	39,822	43,545
615	Purchased Power	62,021	57,365
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	45,557	39,414
620.2	Office Supplies and Expense	7,320	7,304
630	Contractual Services		
631	Contractual Services -Engineering		
632	Contractual Services - Accounting	27,650	25,400
633	Contractual Services - Legal	5,678	51,525
634	Contractual Services - Management Fees	29,806	31,358
635	Contractual Services - Water Testing	3,929	4,710
636	Contractual Services - Other	6,159	18,747
640	Rents		
641	Rental of Building/Real Property	18,000	24,825
642	Rental of Equipment	4,250	2,829
650	Transportation Expenses	8,653	10,778
657	Insurance - General Liability	27,546	28,081
657.1	Insurance - Health and Life	6,837	6,146
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	3,922	6,424
403	Depreciation Expense (From Schedule AR4)	72,643	70,718
408	Taxes Other Than Income	11,690	8,271
408.11	Property Taxes	40,163	44,800
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	<b>Total Operating Expenses</b>	<b>\$539,233</b>	<b>\$584,355</b>
	<b>Operating Income / (Loss)</b>	<b>\$53,530</b>	<b>(\$4,506)</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$295	\$85
421	Non-Utility Income	31,224	33,820
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	<b>\$31,519</b>	<b>\$33,905</b>
	<b>Net Income / (Loss)</b>	<b>\$85,049</b>	<b>\$29,399</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.

Hydro-Resources, Inc.  
Annual Report  
Full time equivalent employees  
12/31/18

<b>Full time equivalent employees</b>
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	Direct Company	Outside service	Total
President	1.0	0.0	1.0
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	2.0	0.0	2.0
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
<b>Total</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</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.



Hydro-Resources, 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				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate	0.00%			
Current Year Interest	\$0			
Current Year Principal	\$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.*

Name of system water received from:	HYDRO RESOURCES-TUSAYAN	
ADWR PCC Number:	91-000109.0000	
Source of water received	Ground Water	
Well registry 55# (55-XXXXXX):	55-523284	

Month	Water withdrawn (acre ft) <sup>1</sup>	Water sold (acre ft) <sup>2</sup>	Water delivered (sold) to other systems (acre ft) <sup>3</sup>	Water received (purchased) from other systems (acre ft) <sup>4</sup>	Estimated authorized use (acre ft) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	6.850	6.181	0.417	0.000	111,542	\$5,206	53,681
February	6.227	5.589	0.418	0.000	111,542	4,807	49,901
March	7.559	6.839	0.416	0.000	111,542	5,305	56,554
April	8.314	7.554	0.628	0.018	111,542	4,719	49,637
May	8.917	8.013	0.629	0.034	136,542	4,637	48,637
June	9.708	8.794	0.839	0.027	124,042	5,543	59,715
July	9.708	8.823	0.618	0.015	111,542	5,185	54,631
August	10.571	9.272	0.820	0.013	231,542	5,113	53,123
September	8.397	7.629	0.618	0.014	111,542	5,602	57,951
October	8.243	7.487	0.327	0.000	111,542	5,140	52,400
November	7.633	6.914	0.317	0.000	111,542	5,433	52,400
December	6.993	6.311	0.737	0.000	111,542	5,330	53,558
<b>Totals</b>	<b>99.119</b>	<b>89.406</b>	<b>6.784</b>	<b>0.122</b>	<b>1,496,000</b>	<b>\$62,021</b>	<b>642,188</b>

<p><b>If applicable, in the space below please provide a description for all un-metered water use along with amounts:</b></p> <p>Fire Department testing-12,000; Fire Pump operation-262,000; Tank Gain- 330000; Construction/Leak Repair-525,000; Well Startup/Flushing- 14,300; Overflow/Tank maintenance-75,000</p>
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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.

Page 10

### Water Utility Plant Description

Name of the System:	Hydro Resources Tusayan	
ADEQ Public Water System Number:	03-312	
ADWR PCC Number:	91-000109.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	3,026
4.00	PVC	430
6.00	PVC	3,373
8.00	PVC	6,104

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	49
1	4
1.5	3
2	21
Compound 3	4

SERVICE LINES	
Material	Percent of system

BOOSTER PUMPS		
Horsepower	GPM	Quantity
250	2,500	1

FIRE HYDRANTS	
Type	Quantity
Standard *	22
Other	

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
525,000	STEEL BOLTED	1
3,000,000	STEEL WELDED (LEASED)	1

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
		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.

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

<b>TREATMENT EQUIPMENT:</b>	4 SODIUM HYPOCHLORITE CHEMICAL FEED PUMPS
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<b>STRUCTURES:</b>	WELLHOUSES, FENCES, RETAINING WALL, CONTROL SHEDS AT TUSAYAN #2, FIRE PUMP SHED
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<b>OTHER:</b>	IMPROVED ACCESS ROAD TO WELL#2, IMPROVED CINDER PAD AT TANK STORAGE AREA
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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. Copy and paste this sheet as many times as is necessary.

Customer and Other Information		
Name of the System:	Hydro Resources Tusayan	
ADEQ Public Water System Number:	03-312	
ADWR PCC Number:	91-000109.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	30	3	20	1	1
February	30	3	20	1	1
March	30	3	20	1	1
April	30	3	20	1	1
May	30	3	20	1	1
June	30	3	20	1	1
July	30	3	20	1	1
August	30	3	20	1	1
September	30	3	20	1	1
October	30	3	20	1	1
November	30	3	20	1	1
December	30	3	20	1	1

If the system has fire hydrants, what is the fire flow requirements?  GPM for  hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

If yes, provide the GPCPD amount:

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

If yes, which AMA?

**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.

			Alabama
			Alaska
			Arizona
	Yes		Arkansas
All	No	Select Meter Size	California
Residential	N/A	5/8" x 3/4" Meter	Colorado
Commercial		3/4" Meter	Connecticut
Industrial		1" Meter	Delaware
Bulk		1-1/2" Meter	Florida
Stand-pipe		2" Meter	Georgia
Fire		3" Meter	Hawaii
Hydrants		4" Meter	Idaho
Other		6" Meter	Illinois
N/A		8" Meter	Indiana
		10" Meter	Iowa
		Fire	Kansas
		Hydrant	Kentucky
		N/A	Louisiana
			Maine
			Maryland
			Massachusetts
			Michigan
			Minnesota
			Mississippi
			Missouri
			Montana
			Nebraska
			Nevada
			New Hampshire
			New Jersey
			New Mexico
			New York
			North Carolina
			North Dakota
			Ohio
			Oklahoma
			Oregon
			Pennsylvania
			Rhode Island
			South Carolina
			South Dakota
			Tennessee
			Texas
			Utah
			Vermont
			Virginia
			Washington
			West Virginia
			Wisconsin
			Wyoming
Proprietorship			
Partnership			
"C" Corporation			
"S" Corporation			
Limited Liability Company ("LLC")			
Tribal			
Association--Cooperative			
Original Filing			
Original Filing - Rate Case Included			
Corrected Filing			
Corrected Filing - Rate Case Included			
NA			
Phoenix AMA			
Pinal AMA			
Prescott AMA			
Santa Cruz AMA			
Tucson AMA			

Verification and Sworn Statement (Taxes)

RECEIVED

APR 19 2019

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

County of (county name):

Coconino

Name (owner or official) title:

John W Rueter

PRESIDENT

Company name:

HYDRO RESOURCES 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.

John W Rueter  
signature of owner/official  
928-572-4405  
telephone no.

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

THIS

18th

DAY OF

COCONINO

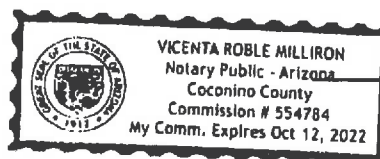
(county name)

APRIL, 2019

(month) and (year)

MY COMMISSION EXPIRES

10/12/2022  
(date)



Vicenta Roble Milliron  
(signature of notary public)



Annual Report  
Verification and Sworn Statement  
12/31/18

Verification and Sworn Statement

Verification:

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

County of (county name):

Coconino

Name (owner or official) title:

John W Rueter

PRESIDENT

Company name:

HYDRO RESOURCES INC.

APR 19 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 (\$)

\$645,519

(The amount in the box above includes

\$52,756

in sales taxes

billed or collected)

John W Rueter  
signature of owner/official

928-522-4405

telephone no.

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

COCONINO

(county name)

THIS

18th

DAY OF

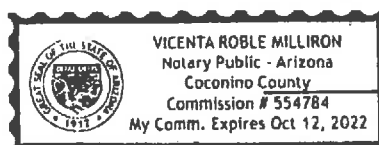
APRIL

2019

(month) and (year)

MY COMMISSION EXPIRES

10/12/2022  
(date)



William  
(signature of notary public)

Annual Report  
Verification and Sworn Statement (Residential Revenue)  
12/31/18

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name):

Coconino

Name (owner or official) title:

John W Rueter PRESIDENT

Company name:

ALPINE RESOURCES INC

RECEIVED

APR 19 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 (\$)

\$165,649

(The amount in the box above includes

\$13,538 in sales taxes

billed or collected)

John W. Rueter  
signature of owner/official

728-582-4405  
telephone no.

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

COCONINO

(county name)

THIS

18th

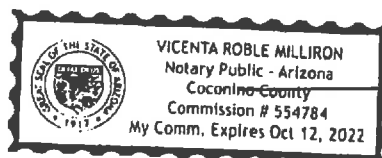
DAY OF

APRIL 2019

(month) and (year)

MY COMMISSION EXPIRES

10/12/2022  
(date)



Vicenta Roble Milliron  
(signature of notary public)

WATER, SEWER AND WASTEWATER UTILITY COMPANIES  
PROPERTY TAX FORM 82055  
TAX YEAR  
2020

VERIFICATION

State of ARIZONA

County of COCONINO

I, JOHN W. RUTTER, being duly sworn, upon my oath say that I am  
Name of principal officer or duly authorized party

the PRESIDENT of HYDRO RESOURCES INC and that  
title company

the information contained in this report is complete, true and correct, according to the best of my knowledge, information and belief.

Further, the Taxpayer waives its rights to confidentiality under A.R.S. §§ 42-2001 through 42-2004 with respect to tabs 3, 4, and 5 (sections 3, 4, and 5) of this report, and consents to the disclosure of such information to County Assessors and their personnel by the Arizona Department of Revenue in order to assure that all property is properly assessed and to help protect against double assessments.

John W. Rutter  
Signature

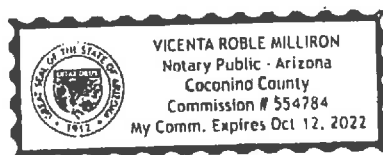
Subscribed in my presence and sworn to before me, a Notary Public, in and for said County and

State, by John W. Rutter on this the 18th day of

APRIL, a.d. 20 19

My commission expires October 12, 20 22

In Witness Whereof, I have hereunto set my seal of office.



Vicenta Roble Milliron  
Signature