

ANNUAL REPORT

Of

Company Name: Rose Valley Water Company

250 SW Taylor Street

Mailing Address: Portland OR
97204

Docket No.: W-01539A

For the Year Ended: 12/31/23

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**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: Original Filing

Application Date: 5/15/2024

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Rose Valley Water Company
A Class ☒ Utility

For the Calendar Year Ended: 12/31/23

Primary Address: 12486 S Foothills Blvd
City: Yuma State: Arizona Zip Code: 85367

Telephone Number: (928)609-3269

Date of Original Organization of Utility: 10/23/1970

Person to whom correspondence should be addressed concerning this report:

Name: Randy Gomez
Telephone No. : (623) 322-2917
Address: 12486 S. Foothills Blvd.
City: Yuma State: Arizona Zip Code: 85367
Email: rgomez@nwnaturalwater.com

On-Site Manager
Name: Randy Gomez
Telephone No. : (623) 322-2917
Address: 12486 S. Foothills Blvd
City: Yuma State: Arizona Zip Code: 85367
Email: rgomez@nwnaturalwater.com

Owner
Name: NW Natural Water
Telephone No. : (928)342-3344
Address: 250 SW Taylor Street
City: Portland State: Oregon Zip Code: 97204
Email: N/A

Management Contact
Name: Ed Fortner
Telephone No. : 928-342-3344
Address: 12486 S Foothills Blvd
City: Yuma State: Arizona Zip Code: 85367
Email: efortner@foothillsutilities.com

NA
Name: N/A
Telephone No. :
Address:
City: State: Arizona Zip Code:
Email:

Ownership: "C" Corporation

Counties Served: Maricopa

Important changes during the year
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Yes	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	Change in utility ownership.

	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	N/A

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	0	0	0	0	0	0
304	Structures and Improvements	34,851	0	0	34,851	24,190	10,661
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	241,841	0	0	241,841	70,928	170,913
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	418,689	0	0	418,689	366,857	51,833
320	Water Treatment Equipment	31,400	0	0	31,400	31,400	0
320.1	Water Treatment Plants	85,000	0	0	85,000	75,769	9,231
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	350,249	0	0	350,249	336,973	13,276
330.2	Pressure Tanks	39,772	0	0	39,772	39,772	0
331	Transmission and Distribution Mains	1,971,926	0	0	1,971,926	1,863,112	108,814
333	Services	734,884	0	0	734,884	635,399	99,485
334	Meters and Meter Installations	538,905	793,783	22,659	1,310,030	190,347	1,119,683
335	Hydrants	259,750	0	0	259,750	234,900	24,850
336	Backflow Prevention Devices	1,000	0	0	1,000	1,000	0
339	Other Plant and Misc. Equipment	5,000	0	0	5,000	5,000	0
340	Office Furniture and Equipment	7,517	0	0	7,517	7,517	0
340.1	Computer & Software	13,158	10,788	0	23,946	12,378	11,568
341	Transportation Equipment	20,044	0	0	20,044	11,358	8,686
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	2,650	0	0	2,650	596	2,054
346	Communication Equipment	4,144	0	0	4,144	1,589	2,555
347	Miscellaneous Equipment	3,154	5,028	0	8,182	1,712	6,471
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$4,763,934	\$809,599	\$22,659	\$5,550,875	\$3,910,795	\$1,640,079

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non- depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	34,851	0	0	34,851	22,997	11,854	3.33%	395
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	241,841	0	0	241,841	0	241,841	3.33%	8,053
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	418,689	0	0	418,689	316,769	101,920	12.50%	12,740
320	Water Treatment Equipment	31,400	0	0	31,400	0	31,400	10.00%	3,140
320.1	Water Treatment Plants	85,000	0	0	85,000	0	85,000	3.33%	2,831
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	350,249	0	0	350,249	335,500	14,749	2.22%	327
330.2	Pressure Tanks	39,772	0	0	39,772	39,772	0	0.00%	0
331	Transmission and Distribution Mains	1,971,926	0	0	1,971,926	184,315	1,787,611	2.00%	35,752
333	Services	734,884	0	0	734,884	529,015	205,869	3.33%	6,855
334	Meters and Meter Installations	538,905	793,783	22,659	1,310,030	11,546	1,298,484	6.42%	58,631
335	Hydrants	259,750	0	0	259,750	0	259,750	2.00%	5,195
336	Backflow Prevention Devices	1,000	0	0	1,000	1,000	0	0.00%	0
339	Other Plant and Misc. Equipment	5,000	0	0	5,000	0	5,000	0.00%	0
340	Office Furniture and Equipment	7,517	0	0	7,517	7,517	0	0.00%	0
340.1	Computer & Software	13,158	10,788	0	23,946	12,208	11,738	47.10%	2,988
341	Transportation Equipment	20,044	0	0	20,044	0	20,044	20.00%	4,009
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	2,650	0	0	2,650	0	2,650	5.00%	133
346	Communication Equipment	4,144	0	0	4,144	0	4,144	10.00%	414
347	Miscellaneous Equipment	3,154	5,028	0	8,182	0	8,182	14.44%	818
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$4,763,934	\$809,599	\$22,659	\$5,550,875	\$1,460,639	\$4,090,236		\$142,281

Contribution(s) in Aid of Construction (Gross)	\$2,307,218
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	220,433
Amortizable Contribution(s)	<u>\$2,086,785</u>
Times: Proposed Amortization Rate	2.48%
Amortization of CIAC	\$51,677

Less: Amortization of CIAC \$51,677

DEPRECIATION EXPENSE **\$90,604**

Rose Valley Water Company
Annual Report
Balance Sheet Assets
12/31/23

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current and Accrued Assets			
131	Cash		\$67,048	\$486,914
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		13,981	312,617
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	22,954
162	Prepayments		130,127	7,695
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$211,156	\$830,180
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$4,763,934	\$5,550,875
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	13,291
108	Accumulated Depreciation (enter as negative)*		(3,791,173)	(3,910,795)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$972,761	\$1,653,370
	Total Assets		\$1,183,917	\$2,483,551

*Note these items feed automatically from AR3 UPIS Page 4

Rose Valley Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current Liabilities			
231	Accounts Payable		(\$871)	\$158,785
232	Notes Payable (Current Portion)		0	133,865
234	Notes Payable to Associated Companies		0	358,976
235	Customer Deposits		121,290	133,848
236	Accrued Taxes		9,003	0
237	Accrued Interest		0	6,101
242	Miscellaneous Current and Accrued Liabilities		4,595	613,973
	Total Current Liabilities		\$134,017	\$1,405,548
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$300,682	\$1,046,446
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		13,067	13,067
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		2,307,218	2,307,218
272	Less: Amortization of Contributions		(1,342,757)	(1,471,169)
281	Accumulated Deferred Income Tax		0	(261,338)
	Total Deferred Credits		\$977,528	\$587,778
	Total Liabilities		\$1,412,227	\$3,039,771
	Capital Accounts			
201	Common Stock Issued		\$20,000	\$0
211	Other Paid-In Capital		1,209,570	(705,980)
215	Retained Earnings		(1,457,881)	149,759
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		(\$228,311)	(\$556,221)
	Total Liabilities and Capital		\$1,183,916	\$2,483,550

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 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$1,954,190	\$1,320,474
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	3,556	1,836
474	Other Water Revenue	215	16,697
	Total Revenues	\$1,957,961	\$1,339,007
	Operating Expenses		
601	Salaries and Wages	\$188,858	\$166,653
604	Employee Pensions and Benefits	1,599	0
610	Purchased Water	0	1,699
615	Purchased Power	213,118	186,706
618	Chemicals	14,824	15,627
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	67,999	40,764
620.2	Office Supplies and Expense	41,784	42,158
630	Contractual Services	41,811	105,647
631	Contractual Services - Engineering	475,200	0
632	Contractual Services - Accounting	14,377	278,056
633	Contractual Services - Legal	41,076	5,368
634	Contractual Services - Management Fees	59,400	231,768
635	Contractual Services - Water Testing	7,516	8,371
636	Contractual Services - Other	27,997	58,212
640	Rents	0	410
641	Rental of Building/Real Property	23,903	25,920
642	Rental of Equipment	0	0
650	Transportation Expenses	14,236	3,223
657	Insurance - General Liability	2,602	12,202
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	24,621	35,458
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	381	24,011
403	Depreciation Expense (From Schedule AR4)	90,604	45,080
408	Taxes Other Than Income	2,449	13,162
408.11	Property Taxes	44,030	40,686
409	Income Taxes	106,146	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$1,504,531	\$1,341,181
	Operating Income / (Loss)	\$453,430	(\$2,174)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$2	\$0
421	Non-Utility Income	392	0
426	Miscellaneous Non-Utility (Expense)	(100,000)	0
427	Interest (Expense)	(59,794)	0
	Total Other Income / (Expense)	(\$159,400)	\$0
	Net Income / (Loss)	\$294,030	(\$2,174)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.4	0.0	0.0	0.4
Vice-president	0.1	0.0	0.0	0.1
Manager	0.5	0.0	1.0	1.5
Engineering Staff	0.0	0.0	0.3	0.3
System Operator(s)	1.0	0.0	0.0	1.0
Meter reader	0.6	0.0	0.2	0.8
Customer Service	1.0	0.0	0.6	1.6
Accounting	0.1	0.0	0.4	0.5
Business Office	0.5	0.0	1.0	1.5
Rates Department	0.0	0.0	0.5	0.5
Administrative Staff	0.1	0.0	0.5	0.6
Other	0.2	0.0	0.4	0.6
Total	4.5	0.0	4.9	9.4

Rose Valley Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/23

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	12/12/2022	N/A	N/A	N/A
Source of Loan	Commerce Bank			
ACC Decision No.	78803			
Reason for Loan	System Improve			
Dollar Amt. Issued	\$1,491,503			
Amount Outstanding	\$1,180,310			
Date of Maturity	6/12/2033			
Interest Rate	5.00%			
Current Year Interest	\$0			
Current Year Principal	\$0			

Meter Deposit Balance at Test Year End:	\$350
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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

[illegible]

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

Name of system water received from:		
ADWR PCC Number:		
Source of water received	NA	
Well registry 55# (55-XXXXXX):		

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense ⁶	Purchased Power ⁷ (kWh)
January	25,322,000.00	24,181,748.00	0.00	0.00	450,000.00	\$9,182	75,160
February	22,460,000.00	22,791,643.00	0.00	0.00	3,850,000.00	10,997	82,720
March	26,539,000.00	23,406,614.00	0.00	0.00	650,000.00	11,262	85,600
April	21,960,000.00	20,031,905.00	0.00	0.00	450,200.00	14,965	122,880
May	28,242,000.00	25,099,819.00	0.00	0.00	500,000.00	18,096	155,320
June	44,671,000.00	41,292,026.00	0.00	0.00	500,000.00	20,732	176,000
July	45,212,000.00	42,264,386.00	0.00	0.00	1,500,500.00	24,670	218,120
August	50,949,000.00	48,847,435.00	0.00	0.00	1,400,050.00	23,691	208,240
September	65,837,000.00	67,518,640.00	0.00	0.00	500,500.00	20,625	177,440
October	53,664,000.00	48,446,590.00	0.00	0.00	450,700.00	16,892	140,400
November	29,164,000.00	27,407,030.00	0.00	0.00	450,000.00	15,760	129,040
December	40,877,000.00	38,765,450.00	0.00	0.00	1,325,200.00	13,474	106,320
Totals	454,897,000.00	430,053,286.00	0.00	0.00	12,027,150.00	\$200,346	1,677,240

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

1	Water withdrawn - Total gallons of water withdrawn from pumped sources.
2	Water sold - Total gallons from customer meters, and other sales such as construction water.
3	Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4	Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
5	Estimated authorized use - Total estimated gallons 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:	ROSE VALLEY WATER COMPANY
ADEQ Public Water System Number:	AZ0407065
ADWR PCC Number:	91-000205.0000

MAINS

Sizes (inches)	Material	Length (feet)
2.00	PVC Sch 80	Filed plans as COP
3.00	PVC Sch 80	Filed plans as COP
4.00	PVC Sch 80	Filed plans as COP
5.00	PVC Sch 80	Filed plans as COP
12.00	PVC Sch 80	Filed plans as COP
14.00	PVC Sch 80	Filed plans as COP
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	
NA	NA	

SERVICE LINES

Material	Percent of system	Year installed
PVC	90%	Various
Copper	10%	Various
NA		
NA		
NA		

BOOSTER PUMPS

Horsepower	GPM	Quantity
15	200	4
125	3,000	2

STORAGE TANKS

Capacity (gallons)	Material	Quantity	Year installed
400,000	Steel	3	1999
0			
0			
0			
0			
0			

CUSTOMER METERS

Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	2,067	0	11%
0.75	7	0	0%
1	271	0	15%
1.5	11	0	90%
2	40	0	65%
NA	0	0%	0%
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			

FIRE HYDRANTS

Type	Quantity
Standard *	245
Other	0

PRESSURE/BLADDER TANKS

Capacity (gallons)	Material	Quantity	Year installed
10,000	Steel	1	N/A
0			
0			
0			
0			
0			

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

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

TREATMENT EQUIPMENT:	CHLORINE LIQUID INJECTION
STRUCTURES:	FENCES CHAIN LINK AND BLOCK, STEEL STORAGE BUILDING, CHLORINATION EQUIPMENT, STEEL WATER STORAGE TANKS
OTHER:	N/A

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by
- (b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC	400
Method used:	(a)

Customer and Other Information

Name of the System:	ROSE VALLEY WATER COMPANY
ADEQ Public Water System Number:	AZ0407065
ADWR PCC Number:	91-000205.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	2,324	0	23	46	6
February	2,324	0	23	46	6
March	2,324	0	23	46	6
April	2,324	0	23	46	6
May	2,324	0	23	46	6
June	2,324	0	23	46	6
July	2,324	0	23	46	6
August	2,324	0	23	46	6
September	2,324	0	23	46	6
October	2,324	0	23	46	6
November	2,324	0	23	46	6
December	2,324	0	23	46	6

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?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

The Utility intends to install a new SCADA system using funds approved by the Arizona Corporation Commission.

* an ERC is based on the calculation on the bottom of AR9 page 12.

Rose Valley Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	ROSE VALLEY WATER COMPANY
ADEQ Public Water System Number:	AZ0407065
ADWR PCC Number:	91-000205.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	15	0
February	0	8	0
March	0	6	0
April	0	13	0
May	0	11	0
June	0	8	0
July	0	11	0
August	0	9	0
September	0	15	0
October	0	11	0
November	0	11	0
December	0	12	0
Total	0	130	0

Other (description):

None

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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2023 was
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\$39,300

If no property taxes paid, explain why.

N/A

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 Certification (Taxes)

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

County of (county name): Maricopa
Name (owner or official) title: Ed Fortner - SW Regional Manager NWNW
Company name: Rose Valley Water Company

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

FOR THE YEAR ENDING: 12/31/23

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.

Certification: I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I CERTIFY THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Ed Fortner
signature of owner/official

928-342-3344
telephone no.