

ANNUAL REPORT

Of

Company Name:

Balterra Sewer Corp.

c/o Global Water Resources, Inc.

Mailing Address:

21410 N 19th Ave., Ste 220

Phoenix AZ

85027

Docket No.:

SW-20403A

For the Year Ended:

12/31/16

RECEIVED

APR 24 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WASTEWATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: 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:

04/15/2017

51-17

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT

Balterra Sewer Corp.

A Class Utility

1. For the Calendar Year Ended: 12/31/16

2. Address: 21410 N. 19th Ave., Suite 220
City: Phoenix State: Arizona Zip Code: 85027

3. Telephone Number: 480-999-5247

4. Date of Original Organization of Utility: 6/15/2005

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

Name: Joanne Ellsworth
Telephone No. : 480-999-5247
Address: 21410 N. 19th Ave., Suite 220
City: Phoenix State: Arizona Zip Code: 85027
Email: joanne.ellsworth@gwresources.com

6. On-Site Manager:

Name: Jon Corwin
Telephone No. : 520-265-1947
Address: 21410 N. 19th Ave., Suite 220
City: Phoenix State: Arizona Zip Code: 85027
Email: jon.corwin@gwresources.com

7. Ownership: Limited Liability Company ("LLC")

8. Counties Served: Maricopa

Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization	\$0	\$0	\$0	\$0	\$0	\$0
352	Franchises	0	0	0	0	0	0
353	Land and Land Rights	276,703	0	0	276,703	0	276,703
354	Structures and Improvements	0	0	0	0	0	0
355	Power Generation Equipment	0	0	0	0	0	0
360	Collections Wastewater - Force	0	0	0	0	0	0
361	Collections Wastewater - Gravity	0	0	0	0	0	0
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	0	0	0	0	0	0
364	Flow Measuring Devices	0	0	0	0	0	0
365	Flow Measuring Installations	0	0	0	0	0	0
366	Reuse Services	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	0	0	0	0	0	0
371	Pumping Equipment	0	0	0	0	0	0
374	Reuse Distribution Reservoirs	0	0	0	0	0	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	0	0
380	Treatment and Disposal Equipment	0	0	0	0	0	0
381	Plant Sewers	0	0	0	0	0	0
382	Outfall Sewer Lines	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	0	0	0	0	0	0
390	Office Furniture and Equipment	0	0	0	0	0	0
390.1	Computer & Software	0	0	0	0	0	0
391	Transportation Equipment	0	0	0	0	0	0
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	0	0	0	0	0	0
394	Laboratory Equipment	0	0	0	0	0	0
395	Power Operated Equipment	0	0	0	0	0	0
396	Communication Equipment	0	0	0	0	0	0
397	Miscellaneous Equipment	0	0	0	0	0	0
398	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$276,703	\$0	\$0	\$276,703	\$0	\$276,703

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.

Balterra Sewer Corp.
 Annual Report
 Depreciation Expense for the Current Year (Wastewater)
 12/31/16

Depreciation Expense for the Current Year (Wastewater)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0
352	Franchises	0	0	0	0	0	0	0	0
353	Land and Land Rights	276,703	0	0	276,703	276,703	0	0	0
354	Structures and Improvements	0	0	0	0	0	0	0	0
355	Power Generation Equipment	0	0	0	0	0	0	0	0
360	Collections Wastewater - Force	0	0	0	0	0	0	0	0
361	Collections Wastewater - Gravity	0	0	0	0	0	0	0	0
362	Special Collecting Structures	0	0	0	0	0	0	0	0
363	Services to Customers	0	0	0	0	0	0	0	0
364	Flow Measuring Devices	0	0	0	0	0	0	0	0
365	Flow Measuring Installations	0	0	0	0	0	0	0	0
366	Reuse Services	0	0	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0	0	0
370	Receiving Wells	0	0	0	0	0	0	0	0
371	Pumping Equipment	0	0	0	0	0	0	0	0
374	Reuse Distribution Reservoirs	0	0	0	0	0	0	0	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	0	0	0	0
380	Treatment and Disposal Equipment	0	0	0	0	0	0	0	0
381	Plant Sewers	0	0	0	0	0	0	0	0
382	Outfall Sewer Lines	0	0	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	0	0	0	0	0	0	0	0
390	Office Furniture and Equipment	0	0	0	0	0	0	0	0
390.1	Computer & Software	0	0	0	0	0	0	0	0
391	Transportation Equipment	0	0	0	0	0	0	0	0
392	Stores Equipment	0	0	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0	0
394	Laboratory Equipment	0	0	0	0	0	0	0	0
395	Power Operated Equipment	0	0	0	0	0	0	0	0
396	Communication Equipment	0	0	0	0	0	0	0	0
397	Miscellaneous Equipment	0	0	0	0	0	0	0	0
398	Other Tangible Plant	0	0	0	0	0	0	0	0
	Subtotal	\$276,703	\$0	\$0	\$276,703	\$276,703	\$0		\$0

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
Amortization of CIAC

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.

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current and Accrued Assets			
131	Cash		\$0	\$0
132	Special Deposits		0	0
133	Other Special Deposits		0	0
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	0
142	Other Accounts Receivable		0	0
143	Accumulated Provision for Uncollectable Accounts		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		2,146	1,258
173	Accrued Utility Revenue		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$2,146	\$1,258
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
190	Accumulated Deferred Income Taxes		311,600	312,531
	Total Deferred Debits		\$311,600	\$312,531
	Fixed Assets			
101	Utility Plant in Service*		\$276,703	\$276,703
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,172,595	1,172,595
108	Accumulated Depreciation (enter as negative)*		0	0
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,449,298	\$1,449,298
	Other Fixed Assets			
114	Utility Plant Acquisition Adjustments		0	0
	Total Other Fixed Assets		\$0	\$0
	Total Assets		\$1,763,044	\$1,763,087

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

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

Balterra Sewer Corp.
 Annual Report
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
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		349	0
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$349	\$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		0	0
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
252	Advances in Aid of Construction		0	0
253	Other Deferred Credits		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 Liabilities		\$349	\$0
	Capital Accounts			
201	Common Stock Issued		0	0
211	Other Paid-In Capital		1,734,715	1,736,676
215	Retained Earnings		27,980	26,411
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$1,762,695	\$1,763,087
	Total Liabilities and Capital		\$1,763,044	\$1,763,087

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!

Balterra Sewer Corp.
Annual Report
Wastewater Comparative Income Statement
12/31/16

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2016 - 12/31/2016	Last Year 01/01/2015 - 12/31/2015
	Operating Revenue		
521	Flat Rate Revenues	\$0	\$0
522	Measured Revenues	0	0
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	0	0
	Total Revenues	\$0	\$0
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	0	0
711	Sludge Removal Expense	0	0
715	Purchased Power	0	0
716	Fuel for Power Production	0	0
718	Chemicals	0	0
720	Materials and Supplies	0	0
720.1	Repairs and Maintenance	0	0
720.2	Office Supplies and Expense	0	0
721	Office Expense	35	35
731	Contractual Services -Engineering	0	0
732	Contractual Services - Accounting	0	0
733	Contractual Services - Legal	230	106
734	Contractual Services - Management Fees	0	0
735	Contractual Services - Testing	0	0
736	Contractual Services - Other	0	0
740	Rents - Building	0	0
742	Rents - Equipment	0	0
750	Transportation Expenses	0	0
756	Insurance - Vehicles	0	0
757	Insurance - General Liability	0	0
758	Insurance - Worker's Compensation	0	0
759	Insurance - Other	0	0
760	Advertising Expense	0	0
766	Regulatory Commission Expense - Rate Case	0	0
767	Regulatory Commission Expense - Other	0	0
770	Bad Debt Expense	0	0
775	Miscellaneous Expense	1,388	933
403	Depreciation Expense (From Schedule AR4)		0
408	Taxes Other Than Income	0	0
408.11	Property Taxes	803	779
408.12	Payroll Taxes	0	0
408.13	Other Taxes and Licenses	45	0
409	Income Taxes	(931)	43
	Total Operating Expenses	\$1,570	\$1,896
	Operating Income / (Loss)	(\$1,570)	(\$1,896)
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions	0	0
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)	(\$1,570)	(\$1,896)

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.

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	\$0
---	-----

Meter Deposits Refunded During the Test Year:	\$0
---	-----

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.

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

SOLIDS PROCESSING AND HANDLING FACILITIES	0
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	0
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	0
STRUCTURES (Buildings, Fences, Etc.)	0
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	0

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

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Balterra Sewer Corp.
 Annual Report
 Wastewater Flows
 12/31/16

Wastewater Flows			
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Totals		0	0

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Other
Groundwater Permit Number	NA
ADEQ Aquifer Protection Permit ("APP") Number	NA
ADEQ Aquifer Protection Permit ("APP") Number	NA
ADEQ Aquifer Protection Permit ("APP") Number	NA
ADEQ Aquifer Protection Permit ("APP") Number	NA
ADEQ Reuse Permit Number	NA
EPA NPDES Permil Number	AZ0025585
APP Effluent Treatment Requirement (Class)?	NA

This system has not been constructed

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

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Balterra Sewer Corp.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

Name of System:	Balterra Sewer LLC.
Wastewater Inventory Number (if applicable):	NA

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

System has not been built and does not have any customers

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.

Balterra Sewer Corp.
Annual Report
Property Taxes
12/31/16

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2016 was	\$1,152

<p>If no property taxes paid, explain why.</p> <p>N/A</p>

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Balterra Sewer Corp.
Annual Report
Verification and Statement (Taxes)
12/31/16

RECEIVED
APR 24 2017
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and Statement (Taxes)

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

County of (county name): Maricopa
Name (owner or official) title: Jon Corwin, General Manager
Company name: Balterra Sewer Corp.

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

FOR THE YEAR ENDING: 12/31/16

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.

Jon Corwin
signature of owner/official

580-265-1947
telephone no.

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

THIS

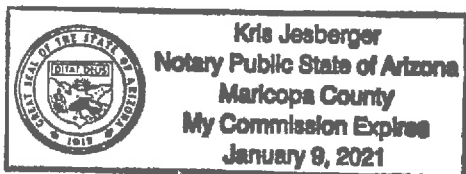
19th

DAY OF

MARICOPA
(county name)
APRIL 2017
(month) and (year)

MY COMMISSION EXPIRES

1/9/2021
(date)



Kris Jesberger
(signature of notary public)

Verification and Statement

RECEIVED

Verification:

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

County of (county name): Maricopa

Name (owner or official) title: Jon Corwin, General Manager

Company name: Balterra Sewer Corp.

APR 24 2017

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: 12/31/16

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 (\$)

\$0

(The amount in the box above includes

\$0 in sales taxes

billed or collected)

[Signature]
signature of owner/official

580-265-1947

telephone no.

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

THIS

17th

DAY OF

MARICOPA

(county name)

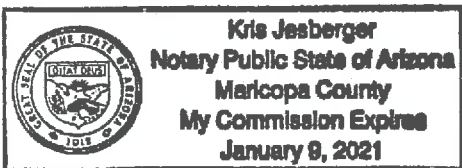
APRIL 2017

(month) and (year)

MY COMMISSION EXPIRES

1/9/2021

(date)



[Signature]
(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Jon Corwin, General Manager
Company name: Balterra Sewer Corp.

RECEIVED
APR 24 2017
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: 12/31/16

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 (\$)

\$0

(The amount in the box above includes

\$0 in sales taxes billed or collected)

Jon Corwin
signature of owner/official

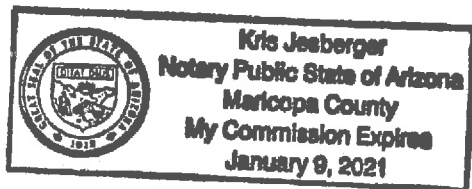
580-265-1947
telephone no.

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

MARICOPA
(county name)

THIS 17th DAY OF APRIL 2017
(month) and (year)

MY COMMISSION EXPIRES 1/9/2021
(date)



Kris Jesberger
signature of notary public