

ANNUAL REPORT

Of

Company Name: Liberty Utilities (Gold Canyon Sewer) Corp
12725 W. Indian School Rd., Ste. D101

Mailing Address: Avondale AZ
85392

Docket No.: SW-02519A
For the Year Ended: 12/31/17

RECEIVED
JUN 08 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WASTEWATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdlafuente@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: 6/7/18

6-11-18

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Liberty Utilities (Gold Canyon Sewer) Corp
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 (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	0	\$0	\$0	0	0	0
354	Structures and Improvements	14,731,782	92,289	572	14,823,498	8,262,197	6,561,301
355	Power Generation Equipment	236	\$0	\$0	236	39	197
360	Collections Wastewater - Force	204,573	13,553	0	218,126	51,792	166,334
361	Collections Wastewater - Gravity	492,059	\$4,289	\$498	495,850	128,552	367,298
362	Special Collecting Structures	19,067	\$0	\$0	19,067	7,627	11,440
363	Services to Customers	102,464	\$25,089	\$992	126,561	17,629	108,931
364	Flow Measuring Devices	102,948	0	0	102,948	33,360	69,588
365	Flow Measuring Installations	102,879	\$0	\$0	102,879	37,861	65,018
366	Reuse Services	56,694	\$0	\$0	56,694	32,091	24,603
367	Reuse Meters & Meter Installations	0	\$0	\$0	0	0	0
370	Receiving Wells	0	\$0	\$0	0	0	0
371	Pumping Equipment	822,570	1,378	5,459	818,489	257,000	561,489
374	Reuse Distribution Reservoirs	23,680	\$0	\$0	23,680	1,431	22,249
375	Reuse Trans. And Distr. Equipment	0	\$0	\$0	0	0	0
380	Treatment and Disposal Equipment	410,805	199,977	9,404	601,378	84,267	517,111
381	Plant Sewers	945	0	0	945	535	410
382	Outfall Sewer Lines	0	\$0	\$0	0	0	0
389	Other Plant and Misc. Equipment	6,692,661	\$22,781	\$0	6,715,442	3,166,079	3,549,363
390	Office Furniture and Equipment	168,443	\$5,757	\$497	173,703	50,950	122,753
390.1	Computer & Software	1,202	\$19,460	\$0	20,662	5,035	15,628
391	Transportation Equipment	63,129	726	0	63,855	36,867	26,988
392	Stores Equipment	18,883	(\$16,861)	\$2,022	0	0	0
393	Tools, Shop and Garage Equipment	62,324	7,077	0	69,401	17,104	52,297
394	Laboratory Equipment	28,308	2,619	0	30,927	6,608	24,319
395	Power Operated Equipment	88,743	\$0	\$0	88,743	40,603	48,140
396	Communication Equipment	60,632	\$8,913	\$0	69,545	22,335	47,210
397	Miscellaneous Equipment	8,662	\$0	\$0	8,662	1,949	6,713
398	Other Tangible Plant	25,093	\$0	\$0	25,093	7,528	17,566
	Totals	\$24,288,783	\$387,046	\$19,444	\$24,656,385	\$12,269,440	\$12,386,945

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.

Liberty Utilities (Gold Canyon Sewer) Corp
 Annual Report
 Depreciation Expense for the Current Year (Wastewater)
 12/31/17

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	Depreciation Percentages	Depreciation Expense
351	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
352	Franchises	0	0	0	0	\$0	0.00%	0
353	Land and Land Rights	0	0	0	0	\$0	0.00%	0
354	Structures and Improvements	14,731,782	92,289	572	14,823,498	\$0	3.33%	2,838,607
355	Power Generation Equipment	236	0	0	236	\$0	5.00%	12
360	Collections Wastewater - Force	204,573	13,553	0	218,126	\$0	2.00%	5,199
361	Collections Wastewater - Gravity	492,059	4,289	498	495,850	\$0	2.00%	12,141
362	Special Collecting Structures	19,067	0	0	19,067	\$0	2.00%	477
363	Services to Customers	102,464	25,089	992	126,561	\$0	2.00%	2,941
364	Flow Measuring Devices	102,948	0	0	102,948	\$0	10.00%	7,118
365	Flow Measuring Installations	102,879	0	0	102,879	\$0	10.00%	2,572
366	Reuse Services	56,694	0	0	56,694	\$0	2.00%	1,417
367	Reuse Meters & Meter Installations	0	0	0	0	\$0	0.00%	0
370	Receiving Wells	0	0	0	0	\$0	0.00%	0
371	Pumping Equipment	822,570	1,378	5,459	818,489	13,200	12.50%	(53,904)
374	Reuse Distribution Reservoirs	23,680	0	0	23,680	\$0	2.50%	592
375	Reuse Trans. And Distr. Equipment	0	0	0	0	\$0	2.50%	0
380	Treatment and Disposal Equipment	410,805	199,977	9,404	601,378	\$0	5.00%	22,113
381	Plant Sewers	945	0	0	945	\$0	5.00%	24
382	Outfall Sewer Lines	0	0	0	0	\$0	3.33%	0
389	Other Plant and Misc. Equipment	6,692,661	22,781	0	6,715,442	\$0	6.67%	171,607
390	Office Furniture and Equipment	168,443	5,757	497	173,703	\$0	6.67%	11,871
390.1	Computer & Software	1,202	19,460	0	20,662	\$0	20.00%	4,457
391	Transportation Equipment	63,129	726	0	63,855	\$0	20.00%	12,771
392	Stores Equipment	18,883	(16,861)	2,022	0	\$0	4.00%	0
393	Tools, Shop and Garage Equipment	62,324	7,077	0	69,401	\$0	5.00%	3,452
394	Laboratory Equipment	28,308	2,619	0	30,927	\$0	10.00%	1,445
395	Power Operated Equipment	88,743	0	0	88,743	\$0	5.00%	4,437
396	Communication Equipment	60,632	8,913	0	69,545	\$0	10.00%	6,212
397	Miscellaneous Equipment	8,662	0	0	8,662	\$0	10.00%	866
398	Other Tangible Plant	25,093	0	0	25,093	\$0	10.00%	2,509
	Subtotal	\$24,288,783	\$387,046	\$19,444	\$24,656,385	\$13,200		\$3,058,936

Contribution(s) in Aid of Construction (Gross)	\$2,074,485
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$2,074,485
Times: Proposed Amortization Rate	12.41%
Amortization of CIAC	\$74,130
Less: Amortization of CIAC	\$74,130
DEPRECIATION EXPENSE	\$2,984,806

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.

Liberty Utilities (Gold Canyon Sewer) Corp
Annual Report
Balance Sheet Assets
12/31/17

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current and Accrued Assets			
131	Cash		\$2,305	\$563
132	Special Deposits		156,453	496,832
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		57,196	70,527
142	Other Accounts Receivable		(137,961)	(137,961)
143	Accumulated Provision for Uncollectable Accounts		(3,141)	(7,705)
146	Notes Receivable from Associated Companies		3,046,120	5,006,525
151	Plant Material and Supplies		0	0
162	Prepayments		3,929	10,991
173	Accrued Utility Revenue		225,961	234,966
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$3,350,862	\$5,674,738
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$149,576	\$149,576
186.2	Other Deferred Debits		0	0
	Total Deferred Debits		\$149,576	\$149,576
	Fixed Assets			
101	Utility Plant in Service*		\$24,451,768	\$24,656,385
103	Property Held for Future Use		0	0
105	Construction Work in Progress		958,094	967,175
108	Accumulated Depreciation (enter as negative)*		(9,229,948)	(12,269,440)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$16,179,914	\$13,354,120
	Total Assets		\$19,680,351	\$19,178,433

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.

Liberty Utilities (Gold Canyon Sewer) Corp
 Annual Report
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current Liabilities			
231	Accounts Payable		\$33	(\$1)
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		2,962	2,962
241	Miscellaneous Current and Accrued Liabilities		104,963	90,284
253	Other Deferred Credits		16,200	368,286
	Total Current Liabilities		\$124,157	\$461,530
	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		1,769,192	1,740,451
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		2,087,054	2,086,685
272	Less: Amortization of Contributions		(722,733)	(796,863)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$3,133,513	\$3,030,273
	Total Liabilities		\$3,257,670	\$3,491,803
	Capital Accounts			
201	Common Stock Issued		\$9,806,233	\$9,806,233
211	Other Paid-In Capital		4,950,049	4,950,049
215	Retained Earnings		1,666,398	930,347
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$16,422,681	\$15,686,629
	Total Liabilities and Capital		\$19,680,351	\$19,178,433

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!

Liberty Utilities (Gold Canyon Sewer) Corp
Annual Report
Wastewater Comparative Income Statement
12/31/17

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	Operating Revenue		
521	Flat Rate Revenues	\$4,122,897	\$3,894,482
522	Measured Revenues	24,330	146,890
534	Rents from Wastewater Property	0	0
539	Other Wastewater Revenues	17,366	17,556
420	AFUDC Income	0	0
	Total Revenues	\$4,164,593	\$4,058,929
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	9,945	8,648
711	Sludge Removal Expense	65,056	67,891
715	Purchased Power	101,177	106,070
716	Fuel for Power Production	0	0
718	Chemicals	56,108	58,592
720	Materials and Supplies	27,408	19,073
721	Office Expense	32,764	22,297
731	Contractual Services -Engineering	0	0
732	Contractual Services - Accounting	17,905	214
733	Contractual Services - Legal	157	0
734	Contractual Services - Management Fees	743,567	784,819
735	Contractual Services - Testing	17,648	22,149
736	Contractual Services - Other	470,680	397,747
740	Rents - Building	8,271	5,325
742	Rents - Equipment	2,055	2,968
750	Transportation Expenses	12,394	7,220
757	Insurance - General Liability	30,482	25,758
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	2,683
770	Bad Debt Expense	5,884	3,714
775	Miscellaneous Expense	70,417	73,849
403	Depreciation Expense (From Schedule AR4)	2,984,806	616,072
408	Taxes Other Than Income	0	0
408.11	Property Taxes	242,328	246,706
408.12	Payroll Taxes	0	0
409	Income Taxes	0	0
	Total Operating Expenses	\$4,899,052	\$2,471,795
	Operating Income / (Loss)	(\$734,459)	\$1,587,133
	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)	(1,592)	(1,435)
	Total Other Income / (Expense)	(\$1,592)	(\$1,435)
	Net Income / (Loss)	(\$736,051)	\$1,585,698

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:	None
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Meter Deposits Refunded During the Test Year:	None
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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.

Liberty Utilities (Gold Canyon Sewer) Corp
 Annual Report
 Wastewater Utility Plant Description
 12/31/17

Wastewater Utility Plant Description

Name of System:	Liberty Utilities (Gold Canyon Sewer) Corp
Wastewater Inventory Number (if applicable):	100217
Type of Treatment	Extended Aeration
Design Capacity of Plant (Gallons per day)	1.9 MGD

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Peralta	4	2 @ 88 & 2@20	2 @ 875, 2 @ 1,350	3335
GC RV Park	2	20	700	2500
Superstition Mountain	2	9.4	300	1200
Hieroglyphics Trail	2	5.4	180	1200
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None

FORCE MAINS

Size	Material	Length (Feet)
Unknown	PVC/DIP	1,982
1.5 Inch	PVC/DIP	3,853
2 Inch	PVC/DIP	9,694
2.5 Inch	PVC/DIP	1,810
3 Inch	PVC/DIP	9,705
4 Inch	PVC/DIP	1,032
8 Inch	PVC/DIP	5,773
12 Inch	PVC/DIP	14,285

MANHOLES

Type	Quantity
Standard	1,703
Drop	52

CLEANOUTS

Quantity
102
0
0
0

Liberty Utilities (Gold Canyon Sewer) Corp
 Annual Report
 Wastewater Utility Plant Description (Continued)

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4	PVC/DIP	18,407	4	PVC	7,315
6	PVC/DIP	23,503	6	PVC	42
8	PVC/DIP	363,887	8	0	0
10	PVC/DIP	12,294	12	0	0
12	PVC/DIP	9,672	15	0	0
15	PVC/DIP	0	0	0	0
18	PVC/DIP	2,826	0	0	0
Unknown	PVC/DIP	10,857	0	0	0
			0	0	0
			0	0	0
			0	0	0
			0	0	0
			0	0	0

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

SOLIDS PROCESSING AND HANDLING FACILITIES	Flex Rake, Rotary drum thickener, Belt Press, Dumpster building, Aerobic Digester
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	65ft x 30ft x 12ft contact chamber with injection, mixing equipment, and 6000 gallon chlorine tank
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	(2) Aqua-Aerobic cloth disk filters
STRUCTURES (Buildings, Fences, Etc.)	Office building, Blower building, Head Works building, Maintenance Building, extended block wall, (2) clarifiers, (2) bio-reactors, (2) Equalization basins, Flow diversion structure
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Office building, Blower building, Head Works building, Maintenance Building, extended block wall, (2) clarifiers, (2) bio-reactors, (2) Equalization basins, Flow diversion structure

Liberty Utilities (Gold Canyon Sewer) Corp
 Annual Report
 Wastewater Flows
 12/31/17

Wastewater Flows			
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day
January	5,425	22,468,000	783,000
February	5,439	20,915,000	839,000
March	5,426	23,258,000	800,000
April	5,430	19,363,000	788,000
May	5,415	15,634,000	612,000
June	5,407	13,841,000	553,000
July	5,408	14,429,000	566,000
August	5,425	14,161,000	519,000
September	5,430	14,630,000	538,000
October	5,420	17,801,000	666,000
November	5,414	21,132,000	807,000
December	5,416	22,039,000	803,000
	Totals	219,671,000	8,274,000

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Other
Groundwater Permit Number	71-591929.0000
ADEQ Aquifer Protection Permit ("APP") Number	100217
ADEQ Reuse Permit Number	R105784
EPA NPDES Permil Number	AZIF 26409
APP Effluent Treatment Requirement (Class)?	A+

Method of Effluent Disposal - Reuse and Groundwater Recharge. Note: Per Staff, number of services should be number of active bills.

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.

Liberty Utilities (Gold Canyon Sewer) Corp
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

Name of System:	Liberty Utilities (Gold Canyon Sewer) Corp
Wastewater Inventory Number (if applicable):	100217

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	3	0
November	0	0	0
December	0	11	0
Total	0	14	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.

Liberty Utilities (Gold Canyon Sewer) Corp
Annual Report
Property Taxes
12/31/17

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2016 was	\$242,328

<p>If no property taxes paid, explain why.</p> <p>None</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.

Verification and Statement (Taxes)

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

County of (county name): Pinal
Name (owner or official) title: Matthew Garlick, President
Company name: Liberty Utilities (Gold Canyon Sewer) Corp

RECEIVED
JUN 08 2018
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: 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.

Matthew Garlick
signature of owner/official

623-935-9367
telephone no.

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

THIS

7th

DAY OF

Maricopa
(county name)
June 2018
(month) and (year)

MY COMMISSION EXPIRES

April 13, 2022
(date)



Virginia P. Covarrubias
(signature of notary public)

Verification and Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Pinal
Name (owner or official) title: Matthew Garlick, President
Company name: Liberty Utilities (Gold Canyon Sewer) Corp

RECEIVED
JUN 08 2018
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 (\$)
\$4,164,593
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

Matthew Garlick
signature of owner/official

623-935-9367
telephone no.

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

THIS 7th DAY OF Maricopa
June 2018
(month) and (year)

MY COMMISSION EXPIRES April 13, 2022
(date)



Virginia P. Covarrubias
(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

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

County of (county name): Pinal
Name (owner or official) title: Matthew Garlick, President
Company name: Liberty Utilities (Gold Canyon Sewer) Corp

RECEIVED
JUN 08 2018
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 (\$)

\$3,876,892

(The amount in the box above includes
\$0 in sales taxes
billed or collected)

Matthew Garlick
signature of owner/official

623-935-9367
telephone no.

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

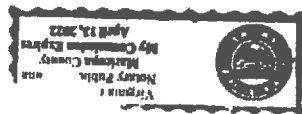
Maricopa
(county name)

THIS 7th

DAY OF June 2018
(month) and (year)

MY COMMISSION EXPIRES

April 13, 2022
(date)



Virginia P. Covarrubias
(signature of notary public)