

ANNUAL REPORT

Of

Company Name:

Liberty Utilities (Litchfield Park Water and Sewer) Corp
12725 W. Indian School Rd., Ste. D101

Mailing Address:

Avondale AZ
85392

Docket No.:

SW-01428A

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: 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:

6/7/18

6-11-18

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Liberty Utilities (Litchfield Park Water and 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:

Liberty Utilities (Litchfield Park Water and Sewer) Corp
 Annual Report
 Utility Plant in Service (Wastewater)
 12/31/17

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	27,447	0	0	27,447	0	27,447
353	Land and Land Rights	1,897,876	4,026,354	0	5,924,230	0	5,924,230
354	Structures and Improvements	20,210,960	335,399	35,896	20,510,464	6,612,387	13,898,077
355	Power Generation Equipment	598,133	2,019	0	600,152	369,260	230,892
360	Collections Wastewater - Force	1,162,596	554,562	0	1,717,158	385,591	1,331,567
361	Collections Wastewater - Gravity	33,032,742	1,968,547	20,205	34,981,083	8,167,679	26,813,404
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	239,844	152,068	0	391,912	40,908	351,004
364	Flow Measuring Devices	146,613	4,317	2,996	147,934	110,121	37,814
365	Flow Measuring Installations	0	0	0	0	0	0
366	Reuse Services	4,078,136	0	0	4,078,136	1,525,426	2,552,710
367	Reuse Meters & Meter Installations	47,075	0	0	47,075	22,326	24,749
370	Receiving Wells	860,393	0	0	860,393	436,820	423,573
371	Pumping Equipment	1,435,248	260,596	40,997	1,654,847	902,654	752,193
374	Reuse Distribution Reservoirs	62,825	0	0	62,825	17,009	45,816
375	Reuse Trans. And Distr. Equipment	420,334	310,167	0	730,501	102,294	628,207
380	Treatment and Disposal Equipment	10,303,934	422,555	33,158	10,693,331	4,325,205	6,368,126
381	Plant Sewers	377,840	6,040,234	0	6,418,074	411,107	6,006,967
382	Outfall Sewer Lines	343,681	0	0	343,681	174,683	168,998
389	Other Plant and Misc. Equipment	920,800	(43,893)	0	876,907	116,162	760,745
390	Office Furniture and Equipment	269,001	119,214	31,424	356,792	161,441	195,350
390.1	Computer & Software	2,403	170,428	0	172,831	20,001	152,830
391	Transportation Equipment	283,372	47,698	0	331,070	172,403	158,667
392	Stores Equipment	12,468	(3,500)	0	8,968	5,442	3,526
393	Tools, Shop and Garage Equipment	280,561	131,907	0	412,468	78,690	333,777
394	Laboratory Equipment	186,023	14,968	5,745	195,247	173,689	21,558
395	Power Operated Equipment	6,605	224,075	0	230,680	16,469	214,211
396	Communication Equipment	420,421	156,619	22,252	554,788	396,576	158,212
397	Miscellaneous Equipment	0	157,139	0	157,139	375,408	(218,270)
398	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$77,627,331	\$15,051,473	\$192,673	\$92,486,131	\$25,119,749	\$67,366,382

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 (Litchfield Park Water and 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	27,447	0	0	27,447	\$27,447	0.00%	0
353	Land and Land Rights	1,897,876	4,026,354	0	5,924,230	\$1,897,876	0.00%	0
354	Structures and Improvements	20,210,960	335,399	35,896	20,510,464	\$0	3.33%	675,244
355	Power Generation Equipment	598,133	2,019	0	600,152	\$0	5.00%	30,008
360	Collections Wastewater - Force	1,162,596	554,562	0	1,717,158	\$0	2.00%	34,268
361	Collections Wastewater - Gravity	33,032,742	1,968,547	20,205	34,981,083	\$0	2.00%	720,131
362	Special Collecting Structures	0	0	0	0	\$0	2.00%	0
363	Services to Customers	239,844	152,068	0	391,912	\$0	2.00%	15,071
364	Flow Measuring Devices	146,613	4,317	2,996	147,934	\$133,392	10.00%	10,376
365	Flow Measuring Installations	0	0	0	0	\$0	10.00%	0
366	Reuse Services	4,078,136	0	0	4,078,136	\$0	2.00%	81,563
367	Reuse Meters & Meter Installations	47,075	0	0	47,075	\$0	8.33%	3,923
370	Receiving Wells	860,393	0	0	860,393	\$0	3.33%	28,680
371	Pumping Equipment	1,435,248	260,596	40,997	1,654,847	\$0	12.50%	158,340
374	Reuse Distribution Reservoirs	62,825	0	0	62,825	\$0	2.50%	1,571
375	Reuse Trans. And Distr. Equipment	420,334	310,167	0	730,501	\$0	2.50%	13,212
380	Treatment and Disposal Equipment	10,303,934	422,555	33,158	10,693,331	\$0	5.00%	532,417
381	Plant Sewers	377,840	6,040,234	0	6,418,074	\$0	5.00%	319,045
382	Outfall Sewer Lines	343,681	0	0	343,681	\$0	6.67%	11,456
389	Other Plant and Misc. Equipment	920,800	(43,893)	0	876,907	\$0	6.67%	58,353
390	Office Furniture and Equipment	269,001	119,214	31,424	356,792	\$0	20.00%	17,902
390.1	Computer & Software	2,403	170,428	0	172,831	\$0	20.00%	19,040
391	Transportation Equipment	283,372	47,698	0	331,070	\$0	4.00%	66,234
392	Stores Equipment	12,468	(3,500)	0	8,968	\$0	5.00%	359
393	Tools, Shop and Garage Equipment	280,561	131,907	0	412,468	\$0	10.00%	20,537
394	Laboratory Equipment	186,023	14,968	5,745	195,247	\$175,045	5.00%	9,952
395	Power Operated Equipment	6,605	224,075	0	230,680	\$0	10.00%	11,534
396	Communication Equipment	420,421	156,619	22,252	554,788	\$387,900	10.00%	17,098
397	Miscellaneous Equipment	0	157,139	0	157,139	\$0	10.00%	15,714
398	Other Tangible Plant	0	0	0	0	\$0	10.00%	0
	Subtotal	\$77,627,331	\$15,051,473	\$192,673	\$92,486,131	\$2,621,660		\$2,872,027

Contribution(s) in Aid of Construction (Gross)	\$46,199,060
Less: Non Amortizable Contribution(s)	12,782
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$46,186,278</u>
Times: Proposed Amortization Rate	3.20%
Amortization of CIAC	\$1,161,626
	Less: Amortization of CIAC \$1,161,626
	DEPRECIATION EXPENSE \$1,710,402

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 (Litchfield Park Water and 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		\$114,623	\$32,745
132	Special Deposits		3,923,844	2,707,879
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		660,050	893,412
142	Other Accounts Receivable		0	23,771
143	Accumulated Provision for Uncollectable Accounts		0	(1,541)
146	Notes Receivable from Associated Companies		3,916,430	0
151	Plant Material and Supplies		0	0
162	Prepayments		89,756	119,351
173	Accrued Utility Revenue		1,374,283	1,773,747
174	Miscellaneous Current and Accrued Assets		68,330	0
	Total Current and Accrued Assets		\$10,147,316	\$5,549,364
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$14,113	\$20,705
186.2	Other Deferred Debits		166,563	177,176
	Total Deferred Debits		\$180,676	\$197,882
	Fixed Assets			
101	Utility Plant in Service*		\$79,003,441	\$92,486,131
103	Property Held for Future Use		11,217	11,217
105	Construction Work in Progress		26,788,028	26,997,118
108	Accumulated Depreciation (enter as negative)*		(22,440,396)	(25,119,749)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$83,362,289	\$94,374,716
	Total Assets		\$93,690,281	\$100,121,962

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.

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

\$1

Liberty Utilities (Litchfield Park Water and 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		\$1,051	\$1,098
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	5,778,363
235	Customer Deposits		0	0
236	Accrued Taxes		0	70,692
237	Accrued Interest		0	5
241	Miscellaneous Current and Accrued Liabilities		17,691,556	3,179,887
	Total Current Liabilities		\$17,692,607	\$9,030,046
	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		3,433,377	3,528,449
253	Other Deferred Credits		3,366,516	2,611,585
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		44,475,053	50,272,978
272	Less: Amortization of Contributions		(8,162,969)	(9,324,594)
281	Accumulated Deferred Income Tax		2,475,762	2,633,517
	Total Deferred Credits		\$45,587,739	\$49,721,935
	Total Liabilities		\$63,280,346	\$58,751,980
	Capital Accounts			
201	Common Stock Issued		\$37,978	\$40,398
211	Other Paid-In Capital		24,991,247	26,583,684
215	Retained Earnings		5,388,244	14,745,898
218	Proprietary Capital (Sole Props and Partnerships)		0	
	Total Capital		\$30,417,469	\$41,369,980
	Total Liabilities and Capital		\$93,697,815	\$100,121,961

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 (Litchfield Park Water and 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	\$11,240,179	\$11,185,850
522	Measured Revenues	563,163	660,006
534	Rents from Wastewater Property	0	0
539	Other Wastewater Revenues	524	185,212
420	AFUDC Income	57,171	320,466
	Total Revenues	\$11,861,037	\$12,351,534
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	28,379	22,433
711	Sludge Removal Expense	272,681	265,063
715	Purchased Power	822,116	678,209
716	Fuel for Power Production	1,203	261
718	Chemicals	421,025	319,237
720	Materials and Supplies	147,554	187,784
721	Office Expense	51,680	39,436
731	Contractual Services -Engineering	0	0
732	Contractual Services - Accounting	1,932	2,000
733	Contractual Services - Legal	0	0
734	Contractual Services - Management Fees	2,277,228	2,317,517
735	Contractual Services - Testing	31,839	42,616
736	Contractual Services - Other	1,285,283	1,370,293
740	Rents - Building	0	0
742	Rents - Equipment	2,278	4,683
750	Transportation Expenses	22,138	26,197
757	Insurance - General Liability	62,975	52,838
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	10,404	(7,257)
775	Miscellaneous Expense	137,531	147,103
403	Depreciation Expense (From Schedule AR4)	1,710,402	259,054
408	Taxes Other Than Income	0	0
408.11	Property Taxes	545,304	552,501
408.12	Payroll Taxes	0	0
409	Income Taxes	0	0
	Total Operating Expenses	\$7,831,952	\$6,279,968
	Operating Income / (Loss)	\$4,029,085	\$6,071,566
	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)	(13,100)	23,730
	Total Other Income / (Expense)	(\$13,100)	\$23,730
	Net Income / (Loss)	\$4,015,985	\$6,095,296

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
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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.

Wastewater Utility Plant Description

Name of System:	Liberty Utilites (Litchfield Park Water and Sewer) Corp.		
Wastewater Inventory Number (if applicable):		100310	
Type of Treatment	Other		
Design Capacity of Plant (Gallons per day)	5.7 MGD		

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
LPSCO Lift Station No 2	2	20	350	25000
LPSCO Lift Station No 3	3	33	1050	30000
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
None	None	None	None	None
None	None	None	None	None

FORCE MAINS		
Size	Material	Length (Feet)
8"	PVC/DIP	2,685
10"	PVC/DIP	0
12"	PVC/DIP	5,430
16"	PVC/DIP	6,566
24"	PVC/DIP	0

MANHOLES	
Type	Quantity
Standard	4,593
Drop	63

CLEANOUTS	
	Quantity
	188
	0
	0
	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 relevent 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.

Liberty Utilities (Litchfield Park Water and 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
2	VCP/DIP/PVC	3,044	4	VCP;DIP;PVC	18,964
3	VCP/DIP/PVC	3,909	6	VCP;DIP;PVC	700
4	VCP/DIP/PVC	7,053	8	VCP;DIP;PVC	3
6	VCP/DIP/PVC	32,627	12	None	None
8	VCP/DIP/PVC	997,798	15	None	None
10	VCP/DIP/PVC	64,021	10	VCP;DIP;PVC	4
12	VCP/DIP/PVC	89,897	None	None	None
15	VCP/DIP/PVC	59,752	None	None	None
16	VCP/DIP/PVC	330	None	None	None
18	VCP/DIP/PVC	28,182	None	None	None
20	VCP/DIP/PVC	1,394	None	None	None
21	VCP/DIP/PVC	26,009	None	None	None
24	VCP/DIP/PVC	41,369	None	None	None
30	VCP/DIP/PVC	16,976	None	None	None
36	VCP/DIP/PVC	1,477	None	None	None

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

SOLIDS PROCESSING AND HANDLING FACILITIES	3 Holding Tanks / 2 Centrifuge
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Ultra-Violet
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Aqua Disk-Filter Disk
STRUCTURES (Buildings, Fences, Etc.)	The facility currently contains 4 steel frame buildings w/concrete masonry unit (CMU) facia on enclosed concrete tank structures. The facility is bordered by rod iron fence, block wall and gate.
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	3 Standby Generator, Tools, Lab Equipment, Vaccon Truck, CCTV Trailer, Tractor and Trailer, 5 Vehicles, Trash pump, Forklift,

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

Liberty Utilities (Litchfield Park Water and 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	17,665	126,816,000	4,558,000
February	17,684	118,787,000	4,724,000
March	17,704	129,965,000	4,596,000
April	17,728	124,429,000	4,656,000
May	17,787	114,599,000	4,138,000
June	17,806	107,321,000	4,380,000
July	17,801	121,320,000	4,382,000
August	17,879	117,548,000	4,542,000
September	17,881	113,727,000	4,316,000
October	17,945	116,591,000	4,241,000
November	17,964	115,659,000	4,231,000
December	18,024	118,925,000	4,293,000
	Totals	1,425,687,000	53,057,000

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Other
Groundwater Permit Number	None
ADEQ Aquifer Protection Permit ("APP") Number	APP100310
ADEQ Reuse Permit Number	See Below
EPA NPDES Permil Number	AZ0025712
APP Effluent Treatment Requirement (Class)?	A+

Method of Effluent Disposal is Reuse and Surface Water Discharge. ADEQ Reuse Permit numbers: R105930, R105221, R105669, R105706, R106256, R105981, R105644, R511162, R106215, R512140, R103615. 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 (Litchfield Park Water and Sewer) Corp
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

Name of System:	Liberty Utilites (Litchfield Park Water and Sewer) Corp.
Wastewater Inventory Number (if applicable):	100310

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January	0	68	0
February	0	43	0
March	0	38	0
April	0	41	0
May	0	41	0
June	0	48	0
July	0	71	0
August	0	62	0
September	0	45	0
October	0	67	0
November	0	51	0
December	0	31	0
Total	0	606	0

Other (description):

None

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 (Litchfield Park Water and Sewer) Corp
Annual Report
Property Taxes
12/31/17

Property Taxes	
Amount of actual property taxes paid for Calendar Year 2017 was	\$605,977

If no property taxes paid, explain why. 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 (Litchfield Park Water and Sewer) Corp
Annual Report
Verification and Statement (Taxes)
12/31/17

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: Matthew Garlick
Company name: Liberty Utilities (Litchfield Park Water and 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: 12/31/17

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 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): Maricopa

Name (owner or official) title: Matthew Garlick

Company name: Liberty Utilities (Litchfield Park Water and 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: 12/31/17

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 (\$)
\$11,803,866
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

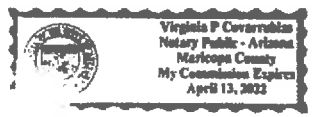
Matthew Garlick
signature of owner/official

623-935-9367
telephone no.

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

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

MY COMMISSION EXPIRES April 13, 2022
(date)



Virginia P. Covarrubias
(signature of notary public)

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

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: Matthew Garlick
Company name: Liberty Utilities (Litchfield Park Water and Sewer) Corp

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)

\$9,841,535

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

Matthew Garlick
signature of owner/official

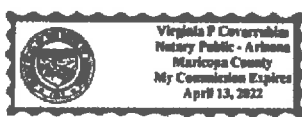
623-935-9367
telephone no.

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)