

**ANNUAL REPORT**

Of

Company Name: Clear Springs Utility Company, Inc.  
PO Box 85160

Mailing Address: Tucson AZ  
85754

Docket No.: WS-01689A

For the Year Ended: 12/31/18

**WASTEWATER UTILITY**

To

Arizona Corporation Commission

**RECEIVED**  
**JUN 13 2019**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

**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: 6/13/2019

6-25-19

ARIZONA CORPORATION COMMISSION  
WASTEWATER UTILITY ANNUAL REPORT  
Clear Springs Utility Company, Inc.  
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
352	Franchises				0		0
353	Land and Land Rights	4,654			4,654		4,654
354	Structures and Improvements	9,504			9,504	9,504	0
355	Power Generation Equipment				0		0
360	Collections Wastewater - Force	278,544	2,894		281,438	270,269	11,169
361	Collections Wastewater - Gravity				0		0
362	Special Collecting Structures				0		0
363	Services to Customers	9,880			9,880	5,755	4,125
364	Flow Measuring Devices				0		0
365	Flow Measuring Installations				0		0
366	Reuse Services				0		0
367	Reuse Meters & Meter Installations				0		0
370	Receiving Wells				0		0
371	Pumping Equipment	123,644	20,801	74,809	69,636	(76)	69,712
374	Reuse Distribution Reservoirs				0		0
375	Reuse Trans. And Distr. Equipment				0		0
380	Treatment and Disposal Equipment	487			487	384	103
381	Plant Sewers				0		0
382	Outfall Sewer Lines				0		0
389	Other Plant and Misc. Equipment				0		0
390	Office Furniture and Equipment				0		0
390.1	Computer & Software				0		0
391	Transportation Equipment				0		0
392	Stores Equipment				0		0
393	Tools, Shop and Garage Equipment	3,173			3,173	2,993	180
394	Laboratory Equipment				0		0
395	Power Operated Equipment				0		0
396	Communication Equipment				0		0
397	Miscellaneous Equipment				0		0
398	Other Tangible Plant				0		0
	<b>Totals</b>	<b>\$429,886</b>	<b>\$23,695</b>	<b>\$74,809</b>	<b>\$378,772</b>	<b>\$288,829</b>	<b>\$89,943</b>

**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.

Clear Springs Utility Company, Inc.  
Annual Report  
Depreciation Expense for the Current Year (Wastewater)  
12/31/18

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
352	Franchises	0	0	0	0			0
353	Land and Land Rights	4,654	0	0	4,654	4,654		0
354	Structures and Improvements	9,504	0	0	9,504	9,504	3.33%	0
355	Power Generation Equipment	0	0	0	0			0
360	Collections Wastewater - Force	278,544	2,894	0	281,438	266,052	2.00%	279
361	Collections Wastewater - Gravity	0	0	0	0			0
362	Special Collecting Structures	0	0	0	0			0
363	Services to Customers	9,880	0	0	9,880		2.00%	198
364	Flow Measuring Devices	0	0	0	0			0
365	Flow Measuring Installations	0	0	0	0			0
366	Reuse Services	0	0	0	0			0
367	Reuse Meters & Meter Installations	0	0	0	0			0
370	Receiving Wells	0	0	0	0			0
371	Pumping Equipment	123,644	20,801	74,809	69,636		11.40%	11,016
374	Reuse Distribution Reservoirs	0	0	0	0			0
375	Reuse Trans. And Distr. Equipment	0	0	0	0			0
380	Treatment and Disposal Equipment	487	0	0	487		5.00%	24
381	Plant Sewers	0	0	0	0			0
382	Outfall Sewer Lines	0	0	0	0			0
389	Other Plant and Misc. Equipment	0	0	0	0			0
390	Office Furniture and Equipment	0	0	0	0			0
390.1	Computer & Software	0	0	0	0			0
391	Transportation Equipment	0	0	0	0			0
392	Stores Equipment	0	0	0	0			0
393	Tools, Shop and Garage Equipment	3,173	0	0	3,173	2,925	5.00%	12
394	Laboratory Equipment	0	0	0	0			0
395	Power Operated Equipment	0	0	0	0			0
396	Communication Equipment	0	0	0	0			0
397	Miscellaneous Equipment	0	0	0	0			0
398	Other Tangible Plant	0	0	0	0			0
	<b>Subtotal</b>	<b>\$429,886</b>	<b>\$23,695</b>	<b>\$74,809</b>	<b>\$378,772</b>	<b>\$283,135</b>		<b>\$11,529</b>

Contribution(s) in Aid of Construction (Gross)	\$132,017
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	82,012
Amortizable Contribution(s)	<b>\$50,005</b>
Times: Proposed Amortization Rate	2.41%
<b>Amortization of CIAC</b>	<b>\$1,204</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.

Clear Springs Utility Company, 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)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$4,527	\$157,154
132	Special Deposits			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		11,678	6,714
142	Other Accounts Receivable			
143	Accumulated Provision for Uncollectable Accounts			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
173	Accrued Utility Revenue			
174	Miscellaneous Current and Accrued Assets		16,619	17,349
	<b>Total Current and Accrued Assets</b>		<b>\$32,824</b>	<b>\$181,217</b>
	<b>Deferred Debits</b>			
186.1	Deferred Rate Case Expense			
	<b>Total Deferred Debits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$429,886	\$378,772
103	Property Held for Future Use		495	495
105	Construction Work in Progress		574	24,230
108	Accumulated Depreciation (enter as negative)*		(352,109)	(288,829)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$78,846</b>	<b>\$114,668</b>
	<b>Total Assets</b>		<b>\$111,670</b>	<b>\$295,885</b>

**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.

Clear Springs Utility Company, Inc.  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		<b>Balance at Beginning of Year (2018)</b>	<b>Balance at End of Year (2018)</b>
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$93,587	\$60,650
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		9,202	
236	Accrued Taxes		852	491
237	Accrued Interest			
241	Miscellaneous Current and Accrued Liabilities			
253	Other Deferred Credits			
	<b>Total Current Liabilities</b>		<b>\$103,641</b>	<b>\$61,141</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$131,419
	<b>Total Long Term Debt</b>		<b>\$0</b>	<b>\$131,419</b>
	<b>Deferred Credits</b>			
252	Advances in Aid of Construction		\$0	\$0
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		132,017	132,017
272	Less: Amortization of Contributions		(91,267)	(92,470)
281	Accumulated Deferred Income Tax			16,538
	<b>Total Deferred Credits</b>		<b>\$40,750</b>	<b>\$56,085</b>
	<b>Total Liabilities</b>		<b>\$144,391</b>	<b>\$248,645</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		797,825	797,825
215	Retained Earnings		(830,546)	(750,585)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>(\$32,721)</b>	<b>\$47,240</b>
	<b>Total Liabilities and Capital</b>		<b>\$111,670</b>	<b>\$295,885</b>

**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:** Total liabilities and Capital must match total assets for the beginning and end of the year!

Clear Springs Utility Company, Inc.  
Annual Report  
Wastewater Comparative Income Statement  
12/31/18

<b>Wastewater Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2018 -	Last Year 01/01/2017 -
	<b>Operating Revenue</b>		
521	Flat Rate Revenues	\$0	\$0
522	Measured Revenues	69,304	58,225
534	Rents from Wastewater Property		
536	Other Wastewater Revenues	2,716	1,710
	<b>Total Revenues</b>	<b>\$72,020</b>	<b>\$59,935</b>
	<b>Operating Expenses</b>		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		3,195
715	Purchased Power	1,589	1,863
716	Fuel for Power Production		
718	Chemicals		
720	Materials and Supplies		
720.1	Repairs and Maintenance	7,281	22,498
720.2	Office Supplies and Expense		
721	Office Expense	3,476	3,151
731	Contractual Services -Engineering		
732	Contractual Services - Accounting	2,846	2,415
733	Contractual Services - Legal	164	190
734	Contractual Services - Management Fees	38,564	37,452
735	Contractual Services - Testing	4,399	2,759
736	Contractual Services - Other	525	1,530
740	Rents - Building	384	678
742	Rents - Equipment		
750	Transportation Expenses	3,280	3,510
757	Insurance - General Liability	1,351	825
758	Insurance - Worker's Compensation		
759	Insurance - Other		
760	Advertising Expense		
766	Regulatory Commission Expense - Rate Case	1,550	11,542
767	Regulatory Commission Expense - Other		
770	Bad Debt Expense	292	206
775	Miscellaneous Expense		127
403	Depreciation Expense (From Schedule AR4)	10,325	6,042
408	Taxes Other Than Income		
408.11	Property Taxes	3,045	3,027
408.12	Payroll Taxes		
409	Income Taxes	25,042	
	<b>Total Operating Expenses</b>	<b>\$104,113</b>	<b>\$101,010</b>
	<b>Operating Income / (Loss)</b>	<b>(\$32,093)</b>	<b>(\$41,075)</b>
	<b>Other Income / (Expense)</b>		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	268	0
421	Non-Utility Income	51,212	0
426	Miscellaneous Non-Utility (Expense)	8,409	0
427	Interest (Expense)	(1,278)	0
	<b>Total Other Income / (Expense)</b>	<b>\$58,611</b>	<b>\$0</b>
	<b>Net Income / (Loss)</b>	<b>\$26,518</b>	<b>(\$41,075)</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.

Clear Springs Utility Company, Inc.  
 Annual Report  
 Full time equivalent employees  
 12/31/18

**Full time equivalent employees**

	Direct Company	Outside service	Total
President	0.0		0.0
Vice-president	0.0		0.0
Manager	0.0	difficult to	#####
Engineering Staff	0.0	determine	#####
System Operator(s)	0.0	without	#####
Customer Service	0.0	significant	#####
Accounting	0.0	analysis	#####
Business Office	0.0		0.0
Rates Department	0.0		0.0
Administrative Staff	0.0		0.0
Other	0.0		0.0
<b>Total</b>	0.0	0.0	#####

**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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.



Clear Springs Utility Company, 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	7/20/2018			
Source of Loan	CoBank			
ACC Decision No.	1/15/2110			
Reason for Loan	System Improvements			
Dollar Amt. Issued	131419			
Amount Outstanding	131419			
Date of Maturity	12/20/2038			
Interest Rate	rate is 5.86%			
Current Year Interest	1278			
Current Year Principal	0			

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.**

<b>Wastewater Utility Plant Description</b>
---

Name of System:	Clear Springs Sewer Division
Wastewater Inventory Number (if applicable):	N/A
Type of Treatment	Anaerobic Lagoon
Design Capacity of Plant (Gallons per day)	300000

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)
SW corner Ford/Allen	2	7.5	1200	2000

FORCE MAINS		
Size	Material	Length (Feet)
8 inch	AC	1,200

MANHOLES	
Type	Quantity
Standard	160
Drop	0

CLEANOUTS
Quantity
11

**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.

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
6	AC	1,225	4	AC	391
6	PVC	3,730			
8	AC	24,200			
8	CLAY	56,000			
12	AC	3,000			

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

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Three clay lined ponds with acerationb and one unlined pond for percolation
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	N/A
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Fencing around lagoons
<b>Other</b> (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	One stand-by 220 volt pump at 5 HP and 200 GPM, one stand-by 110 volt pump at 5 HP and 160 GPM, and two air compressors at 1/2 HP and 3/4 HP

**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.

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day	Purchased Power Expense <sup>1</sup>	Purchased Power (kWh) <sup>2</sup>
January	363	881,500	32,174	\$102	283
February	368	860,968	28,256	126	379
March	366	985,978	34,460	126	383
April	368	1,043,088	33,648	180	740
May	371	986,048	31,808	156	583
June	365	1,309,847	42,254	190	804
July	368	1,438,350	47,945	243	1,244
August	373	853,306	27,526	122	450
September	369	740,940	24,698	109	348
October	373	1,216,967	39,257	137	403
November	371	1,233,840	41,128	0	0
December	370	989,675	31,925	100	270
	<b>Totals</b>	<b>12,540,507</b>	<b>415,079</b>	<b>\$1,591</b>	<b>5,887</b>

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	
Groundwater Permit Number	100824
ADEQ Aquifer Protection Permit ("APP") Number	P100824
ADEQ Reuse Permit Number	N/A
EPA NPDES Permil Number	N/A
APP Effluent Treatment Requirement (Class)?	N/A
Permitted Flow Rate	
Permitted Organic Capacity	
Hydraulic Capacity	
Type of Biological Treatment	

In the space below, list all violations within the past 12 months:

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

<sup>1</sup> Enter the total purchased power costs for the power meters associated with this system.

<sup>2</sup> Enter the total purchased kWh used by the power meters associated with this 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.

Clear Springs Utility Company, Inc.  
Annual Report  
Property Taxes  
12/31/18

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2018 was	\$3,036

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.

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MAY 01 2019

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

Clear Springs Utility Company, Inc.  
Annual Report  
Verification and Sworn Statement (Taxes)  
12/31/18

Verification and Sworn Statement (Taxes)

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

County of (county name): Pima  
Name (owner or official) title: Bonnie O'Connor, Manager  
Company name: Clear Springs Utility Company, Inc.

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.

[Signature]  
signature of owner/official

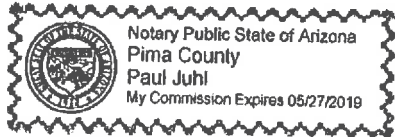
520-623-5172  
telephone no.

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

THIS 30<sup>th</sup> DAY OF Pima  
(month) and (year)

MY COMMISSION EXPIRES 5/27/17  
(date)

[Signature]  
(signature of notary public)



Clear Springs Utility Company, Inc.  
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): Pima  
Name (owner or official) title: Paul Juhl, Manager  
Company name: Clear Springs Utility Company, Inc.

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JUN 12 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 (\$)

\$76,438

(The amount in the box above includes

\$4,418 in sales taxes  
billed or collected)

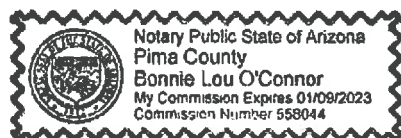
[Signature]  
signature of owner/official

520-623-5172  
telephone no.

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

THIS 11<sup>th</sup> DAY OF PIMA  
June 2019  
(month) and (year)

MY COMMISSION EXPIRES 6/1/19  
(date)



[Signature]  
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Pima  
Name (owner or official) title: Bonnie O'Connor, Manager  
Company name: Clear Springs Utility Company, Inc. - sewer

RECEIVED

MAY 01 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 (\$)

\$74,828

(The amount in the box above includes

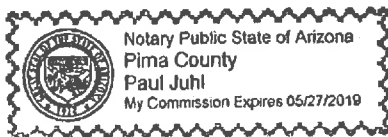
\$4,298 in sales taxes  
billed or collected)

Bonnie O'Connor  
signature of owner/official

520-623-5172  
telephone no.

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

Pima  
(county name)



THIS 30<sup>th</sup> DAY OF April 2019  
(month) and (year)

MY COMMISSION EXPIRES 5/27/19  
(date)

Paul Juhl  
(signature of notary public)



Verification and Sworn Statement

RECEIVED

Verification:

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

County of (county name): Pima

Name (owner or official) title: Bonnie O'Connor, Manager

Company name: Clear Springs Utility Company, Inc. - Sewer

MAY 01 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 (\$)

\$83,438

(The amount in the box above includes

\$4,418 in sales taxes

billed or collected)

[Signature]  
signature of owner/official

520-623-5172  
telephone no.

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

THIS 30th DAY OF Pima  
(county name)

April 2019  
(month) and (year)

MY COMMISSION EXPIRES

5/27/19  
(date)



[Signature]  
(signature of notary public)

**Company Name:** Clear Springs Utility Company, Inc.  
**Docket No.:** WS-01689A

**Name of System:** Clear Springs Utility Company, Inc.  
**Wastewater Inventory Number (if applicable):**

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January	0	5	0
February	0	3	0
March	0	2	0
April	0	5	0
May	0	5	0
June	0	4	0
July	0	7	0
August	0	3	0
September	0	5	0
October	0	3	0
November	0	3	0
December	0	2	0
<b>Total</b>	<b>0</b>	<b>47</b>	<b>0</b>

**Other (description):**  
 N/A

**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.