

ANNUAL REPORT

OF

Company Name: Liberty Utilities (Rio Rico Water and Sewer) Corp
12725 W. Indian School Rd., Ste. D101

Mailing Address: Avondale AZ
85392

Docket No.: WS-02676A
For the Year Ended: 12/31/16

RECEIVED
JUN 06 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: 5/19/17

6-6-17

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Liberty Utilities (Rio Rico Water and Sewer) Corp
A Class Utility

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

2. Address:

12725 W. Indian School Rd, Ste D101					
City:	Avondale	State:	Arizona	Zip Code:	85392

3. Telephone Number: 623-935-9367

4. Date of Original Organization of Utility: 5/18/1992

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

Name: Gerry Becker
Telephone No. : 623-935-9367
Address: 12725 W. Indian School Rd, Ste D101
City: Avondale State: Arizona Zip Code: 85392
Email: Gerry.Becker@libertyutilities.com

6. On-Site Manager:

Name: Martin Garland
Telephone No. : 520-377-7655
Address: 1225 W Frontage Rd
City: Rio Rico State: Arizona Zip Code: 85648
Email: Martin.Garland@libertyutilities.com

7. Ownership: "C" Corporation

8. Counties Served: Santa Cruz

Liberty Utilities (Rio Rico Water and Sewer) Corp
Annual Report
Utility Plant in Service (Wastewater)
12/31/16

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	7,545	0	0	7,545	0	7,545
354	Structures and Improvements	258,433	66,331	0	324,764	48,870	275,894
355	Power Generation Equipment	0	0	0	0	0	0
360	Collections Wastewater - Force	636,023	0	0	636,023	85,683	550,340
361	Collections Wastewater - Gravity	6,689,070	25,906	3,447	6,711,529	3,639,952	3,071,577
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	1,279,964	17,721	1,445	1,296,240	787,772	508,467
364	Flow Measuring Devices	56,523	0	0	56,523	52,704	3,819
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	867,120	0	0	867,120	470,029	397,091
371	Pumping Equipment	437,788	56,019	0	493,807	24,655	469,152
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	3,401,575	0	0	3,401,575	1,631,962	1,769,613
381	Plant Sewers	15,362	0	0	15,362	3,706	11,656
382	Outfall Sewer Lines	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	82,592	0	0	82,592	76,923	5,669
390	Office Furniture and Equipment	142,739	562	0	143,301	71,664	71,638
390.1	Computer & Software	4,025	0	0	4,025	0	4,025
391	Transportation Equipment	117	0	0	117	116	1
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	8,038	2,079	294	9,824	4,860	4,964
394	Laboratory Equipment	6,132	0	0	6,132	1,331	4,801
395	Power Operated Equipment	29,947	0	0	29,947	2,620	27,327
396	Communication Equipment	6,057	0	0	6,057	9,990	(3,933)
397	Miscellaneous Equipment	0	0	0	0	0	0
398	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$13,929,050	\$168,619	\$5,186	\$14,092,483	\$6,912,836	\$7,179,647

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 (Rio Rico Water and 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	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	7,545	0	0	7,545	7,545	0.00%	0
354	Structures and Improvements	258,433	66,331	0	324,764	0	3.33%	10,453
355	Power Generation Equipment	0	0	0	0	0	5.00%	0
360	Collections Wastewater - Force	636,023	0	0	636,023	0	2.00%	12,720
361	Collections Wastewater - Gravity	6,689,070	25,906	3,447	6,711,529	0	2.00%	134,616
362	Special Collecting Structures	0	0	0	0	0	2.00%	0
363	Services to Customers	1,279,964	17,721	1,445	1,296,240	0	2.00%	25,941
364	Flow Measuring Devices	56,523	0	0	56,523	56,523	10.00%	2,047
365	Flow Measuring Installations	0	0	0	0	0	2.00%	0
366	Reuse Services	0	0	0	0	0	8.33%	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	3.33%	0
370	Receiving Wells	867,120	0	0	867,120	0	12.50%	28,904
371	Pumping Equipment	437,788	56,019	0	493,807	0	2.50%	62,776
374	Reuse Distribution Reservoirs	0	0	0	0	0	2.50%	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	0	5.00%	0
380	Treatment and Disposal Equipment	3,401,575	0	0	3,401,575	0	5.00%	200,016
381	Plant Sewers	15,362	0	0	15,362	0	3.33%	768
382	Outfall Sewer Lines	0	0	0	0	0	6.67%	0
389	Other Plant and Misc. Equipment	82,592	0	0	82,592	57,170	6.67%	532
390	Office Furniture and Equipment	142,739	562	0	143,301	0	20.00%	9,186
390.1	Computer & Software	4,025	0	0	4,025	4,025	20.00%	0
391	Transportation Equipment	117	0	0	117	0	4.00%	17
392	Stores Equipment	0	0	0	0	0	5.00%	0
393	Tools, Shop and Garage Equipment	8,038	2,079	294	9,824	5,139	10.00%	249
394	Laboratory Equipment	6,132	0	0	6,132	0	5.00%	613
395	Power Operated Equipment	29,947	0	0	29,947	0	10.00%	1,497
396	Communication Equipment	6,057	0	0	6,057	6,057	10.00%	15
397	Miscellaneous Equipment	0	0	0	0	0	10.00%	0
398	Other Tangible Plant	0	0	0	0	0	4.72%	0
	Subtotal	\$13,929,050	\$168,619	\$5,186	\$14,092,483	\$136,459		\$490,351

Contribution(s) in Aid of Construction (Gross)	\$5,152,673
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$5,152,673</u>
Times: Proposed Amortization Rate	3.51%
Amortization of CIAC	\$153,704
Less: Amortization of CIAC	\$153,704
DEPRECIATION EXPENSE	\$336,646

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 (Rio Rico Water and Sewer) Corp
Annual Report
Balance Sheet Assets
12/31/16

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current and Accrued Assets			
131	Cash		\$1,868	\$36,305
132	Special Deposits		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		233,198	262,826
142	Other Accounts Receivable		0	0
143	Accumulated Provision for Uncollectable Accounts		0	(879)
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		765	0
173	Accrued Utility Revenue		0	378,010
174	Miscellaneous Current and Accrued Assets		26,444	1,700
	Total Current and Accrued Assets		\$262,275	\$677,962
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
186.2	Other Deferred Debits		0	0
	Total Deferred Debits		\$0	\$0
	Fixed Assets			
101	Utility Plant in Service*		\$13,929,050	\$14,092,483
103	Property Held for Future Use		0	0
105	Construction Work in Progress		(134,658)	118,002
108	Accumulated Depreciation (enter as negative)*		(6,427,672)	(6,912,836)
121	Non-Utility Property		575,458	764,540
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$7,942,178	\$8,062,189
	Total Assets		\$8,204,454	\$8,740,151

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 (Rio Rico Water and 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		\$158	(\$16)
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		326,050	221,485
235	Customer Deposits		0	0
236	Accrued Taxes		3,285	11,284
237	Accrued Interest		5,909	0
241	Miscellaneous Current and Accrued Liabilities		576,108	1,250,609
253	Other Deferred Credits		0	0
	Total Current Liabilities		\$911,510	\$1,483,362
	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		512,214	513,056
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		5,157,673	5,152,673
272	Less: Amortization of Contributions		(3,081,662)	(3,235,366)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$2,588,225	\$2,430,363
	Total Liabilities		\$3,499,735	\$3,913,725
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		579,293	(715,570)
215	Retained Earnings		4,125,426	5,541,996
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$4,704,719	\$4,826,426
	Total Liabilities and Capital		\$8,204,454	\$8,740,151

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!

Liberty Utilities (Rio Rico Water and 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	\$1,587,680	\$1,475,353
522	Measured Revenues	0	0
534	Rents from Wastewater Property	0	0
539	Other Wastewater Revenues	4,457	4,493
420	AFUDC Income	0	0
	Total Revenues	\$1,592,137	\$1,479,846
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	121,236	6,317
711	Sludge Removal Expense	0	0
715	Purchased Power	67,024	78,516
716	Fuel for Power Production	0	0
718	Chemicals	8,928	7,361
720	Materials and Supplies	3,379	2,343
721	Office Expense	0	0
731	Contractual Services -Engineering	0	0
732	Contractual Services - Accounting	0	0
733	Contractual Services - Legal	0	0
734	Contractual Services - Management Fees	229,370	214,626
735	Contractual Services - Testing	0	0
736	Contractual Services - Other	87,353	194,300
740	Rents - Building	0	0
742	Rents - Equipment	0	0
750	Transportation Expenses	7,002	7,575
757	Insurance - General Liability	10,219	12,081
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	7,159	0
775	Miscellaneous Expense	21,862	24,977
403	Depreciation Expense (From Schedule AR4)	336,646	255,492
408	Taxes Other Than Income	0	0
408.11	Property Taxes	57,776	60,094
408.12	Payroll Taxes	0	0
409	Income Taxes	0	0
	Total Operating Expenses	\$957,954	\$863,682
	Operating Income / (Loss)	\$634,183	\$616,164
	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)	\$634,183	\$616,164

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 (Rio Rico Water and Sewer) Corp
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/16

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 Utilities (Rio Rico Water and Sewer) Corp
Wastewater Inventory Number (if applicable):	105505
Type of Treatment	Anaerobic Lagoon
Design Capacity of Plant (Gallons per day)	Villas 12 .050 MGD, Villas 13 .050 MGD

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Lift Station #1	2	88	725	32313
Lift Station #2	2	47	500	9000
Lift Station #3	2	47	500	9000
Lift Station #4	2	15	175	8000
Lift Station #5	2	3	27	1608
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0

FORCE MAINS

Size	Material	Length (Feet)
2 inch	PVC/DIP/ACP	2,002
6 inch	PVC/DIP/ACP	5,645
8 inch	PVC/DIP/ACP	30,092
0	0	0
0	0	0
0	0	0

MANHOLES

Type	Quantity
Standard	535
Drop	15

CLEANOUTS

Quantity
132
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 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.

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4	PVC/DIP/ACP	2,054	4	Various	2,057
6	PVC/DIP/ACP	8,528	6	Various	147
8	PVC/DIP/ACP	181,265	8	PVC	10
10	PVC/DIP/ACP	8,787	12	0	0
12	PVC/DIP/ACP	20,761	15	0	0
14	PVC/DIP/ACP	762	0	0	0
15	PVC/DIP/ACP	1,078	0	0	0
18	0	0	0	0	0
21	0	0	0	0	0
24	0	0	0	0	0
30	0	0	0	0	0
			0	0	0
			0	0	0
			0	0	0
			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	None
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	None
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	None
STRUCTURES (Buildings, Fences, Etc.)	(2) Wooden Storage Shed (20' x 20').
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Mobile Generator - 150 KW Diesel Powered, Diesel Powered 4" solids handling pump

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 (Rio Rico Water and 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	2,007	11,453,000	495,000
February	2,022	11,783,000	483,000
March	2,026	12,063,000	462,000
April	2,016	12,172,000	493,000
May	2,007	12,226,000	466,000
June	2,022	11,071,000	419,000
July	2,011	11,657,000	454,000
August	2,016	11,851,000	456,000
September	2,030	12,505,000	656,000
October	2,020	12,426,000	480,000
November	2,019	12,470,000	485,000
December	2,015	12,546,000	452,000
	Totals	144,223,000	5,801,000

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Other
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit ("APP") Number	N/A
ADEQ Reuse Permit Number	N/A
EPA NPDES Permit Number	N/A
APP Effluent Treatment Requirement (Class)?	N/A

Wastewater flows above pumped to Nogales International WWTP. 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 (Rio Rico Water and 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	122	11,614	N/A
February	118	11,233	N/A
March	116	11,043	N/A
April	116	11,043	N/A
May	117	11,138	N/A
June	116	11,043	N/A
July	117	11,138	N/A
August	116	11,043	N/A
September	115	10,948	N/A
October	117	11,138	N/A
November	123	11,709	N/A
December	123	11,709	N/A
Totals		134,799	0

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Evaporation Ponds
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit ("APP") Number	105505
ADEQ Reuse Permit Number	N/A
EPA NPDES Permil Number	N/A
APP Effluent Treatment Requirement (Class)?	N/A

Wastewater flows above are for Villa 12 Evaporative Ponds. 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 (Rio Rico Water and Sewer) Corp
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

Name of System:	Liberty Utilities (Rio Rico Water and Sewer) Corp
Wastewater Inventory Number (if applicable):	105505

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January	0	51	0
February	0	67	0
March	0	67	0
April	0	111	0
May	0	59	0
June	0	102	0
July	0	61	0
August	0	57	0
September	0	64	0
October	0	60	0
November	0	58	0
December	0	45	0
Total	0	802	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 (Rio Rico Water and Sewer) Corp
Annual Report
Property Taxes
12/31/16

Property Taxes

Amount of actual property taxes paid during Calendar Year 2016 was

\$57,771

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 (Rio Rico Water and Sewer) Corp
Annual Report
Verification and Statement (Taxes)
12/31/16

RECEIVED
JUN 06 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: Matthew Garlick, President
Company name: Liberty Utilities (Rio Rico 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: 12/31/16

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

0
telephone no.

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

THIS 2ND DAY OF MARICOPA
JUNE 2017
(month) and (year)

MY COMMISSION EXPIRES 5-26-18
(date)



Brian Walton
(signature of notary public)

RECEIVED
JUN 06 2017

Verification and Statement ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Maricopa
Name (owner or official) title: Matthew Garlick, President
Company name: Liberty Utilities (Rio Rico 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: 12/31/16

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 (\$)
\$1,592,137
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

Matthew Garlick

signature of owner/official

0

telephone no.

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

THIS 2ND DAY OF

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

MY COMMISSION EXPIRES

5-26-18
(date)



Brian Walton
(signature of notary public)

RECEIVED

JUN 06 2017

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, President
Company name: Liberty Utilities (Rio Rico 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: 12/31/16

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 (\$)

\$1,332,684

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

Matthew Garlick
signature of owner/official

telephone no.

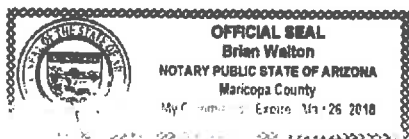
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

MARICOPA
(county name)



THIS 2ND DAY OF JUNE 2017
(month) and (year)

MY COMMISSION EXPIRES 5-26-18
(date)



Brian Walton
(signature of notary public)