

# 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: 12/31/17

RECEIVED  
JUN 08 2018  
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:  
Application Date:

Original Filing

6/7/2018

6-11-18

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

1. For the Calendar Year Ended: 12/31/17

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: Leticia Washington  
Telephone No. : 623-935-9367  
Address: 

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

  
Email: Leticia.Washington@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

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	122,389	12,502	368,320	433,465	(65,146)
355	Power Generation Equipment	0	0	0	0	0	0
360	Collections Wastewater - Force	636,023	0	0	636,023	98,404	537,619
361	Collections Wastewater - Gravity	6,689,070	12,000	0	6,701,070	3,388,150	3,312,920
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	1,279,964	23,021	3,447	1,299,537	810,277	489,261
364	Flow Measuring Devices	56,523	8,889	0	65,412	57,417	7,995
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	498,933	368,187
371	Pumping Equipment	437,788	154,206	0	591,994	97,130	494,864
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	16,085	1,764	3,415,896	1,747,327	1,668,569
381	Plant Sewers	15,362	0	0	15,362	4,474	10,888
382	Outfall Sewer Lines	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	82,592	(28,342)	0	54,250	71,975	(17,725)
390	Office Furniture and Equipment	142,739	(31,043)	306	111,992	71,674	39,716
390.1	Computer & Software	4,025	43,419	0	47,444	33,341	14,103
391	Transportation Equipment	117	6,205	0	6,322	4,546	1,777
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	8,038	7,839	3,966	11,912	1,361	10,551
394	Laboratory Equipment	6,132	0	0	6,132	1,944	4,188
395	Power Operated Equipment	29,947	0	0	29,947	4,118	25,829
396	Communication Equipment	6,057	0	0	6,057	10,002	(3,945)
397	Miscellaneous Equipment	0	0	0	0		0
398	Other Tangible Plant	0	7,826	0	7,826	1,332	6,494
	<b>Totals</b>	<b>\$13,929,050</b>	<b>\$342,493</b>	<b>\$21,985</b>	<b>\$14,249,559</b>	<b>\$7,335,869</b>	<b>\$6,913,690</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.

Liberty Utilities (Rio Rico 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	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	122,389	12,502	368,320	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	12,000	0	6,701,070	0	2.00%	134,616
362	Special Collecting Structures	0	0	0	0	0	2.00%	0
363	Services to Customers	1,279,964	23,021	3,447	1,299,537	0	2.00%	25,941
364	Flow Measuring Devices	56,523	8,889	0	65,412	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	154,206	0	591,994	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	16,085	1,764	3,415,896	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	(28,342)	0	54,250	57,170	6.67%	532
390	Office Furniture and Equipment	142,739	(31,043)	306	111,390	0	20.00%	9,186
390.1	Computer & Software	4,025	43,419	0	47,444	4,025	20.00%	0
391	Transportation Equipment	117	6,205	0	6,322	0	4.00%	17
392	Stores Equipment	0	0	0	0	0	5.00%	0
393	Tools, Shop and Garage Equipment	8,038	7,839	3,966	11,912	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	7,826	0	7,826	0	4.72%	0
	<b>Subtotal</b>	<b>\$13,929,050</b>	<b>\$342,493</b>	<b>\$21,985</b>	<b>\$14,249,559</b>	<b>\$136,459</b>		<b>\$490,351</b>

Contribution(s) in Aid of Construction (Gross)	\$5,152,673
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$5,152,673
Times: Proposed Amortization Rate	3.47%
<b>Amortization of CIAC</b>	<b>\$153,704</b>
Less: Amortization of CIAC	\$153,704
<b>DEPRECIATION EXPENSE</b>	<b>\$336,646</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.

Liberty Utilities (Rio Rico 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)
<b>Account No.</b>	<b>Current and Accrued Assets</b>		
131	Cash	\$1,868	\$12,266
132	Special Deposits	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	233,198	89,979
142	Other Accounts Receivable	0	0
143	Accumulated Provision for Uncollectable Accounts	0	(211)
146	Notes Receivable from Associated Companies	0	291,606
151	Plant Material and Supplies	0	0
162	Prepayments	765	552
173	Accrued Utility Revenue	0	75,628
174	Miscellaneous Current and Accrued Assets	26,444	0
	<b>Total Current and Accrued Assets</b>	<b>\$262,275</b>	<b>\$469,819</b>
	<b>Deferred Debits</b>		
186.1	Deferred Rate Case Expense	\$0	\$9,029
186.2	Other Deferred Debits	0	26,648
	<b>Total Deferred Debits</b>	<b>\$0</b>	<b>\$35,677</b>
	<b>Fixed Assets</b>		
101	Utility Plant in Service*	\$13,929,050	\$14,249,559
103	Property Held for Future Use	0	0
105	Construction Work in Progress	(134,658)	156,854
108	Accumulated Depreciation (enter as negative)*	(6,427,672)	(7,335,869)
121	Non-Utility Property	575,458	350,760
122	Accumulated Depreciation - Non Utility	0	0
	<b>Total Fixed Assets</b>	<b>\$7,942,178</b>	<b>\$7,421,304</b>
	<b>Total Assets</b>	<b>\$8,204,454</b>	<b>\$7,926,800</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.

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

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$158	(\$17)
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		326,050	0
235	Customer Deposits		0	0
236	Accrued Taxes		3,285	3,989
237	Accrued Interest		5,909	0
241	Miscellaneous Current and Accrued Liabilities		576,108	413,927
253	Other Deferred Credits		0	0
	<b>Total Current Liabilities</b>		<b>\$911,510</b>	<b>\$417,900</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Total Long Term Debt</b>		<b>\$0</b>	<b>\$0</b>
	<b>Deferred Credits</b>			
252	Advances in Aid of Construction		512,214	528,950
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		5,157,673	5,117,247
272	Less: Amortization of Contributions		(3,081,662)	(3,396,328)
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$2,588,225</b>	<b>\$2,249,869</b>
	<b>Total Liabilities</b>		<b>\$3,499,735</b>	<b>\$2,667,769</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		579,293	2,803,633
215	Retained Earnings		4,125,426	2,455,398
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$4,704,719</b>	<b>\$5,259,031</b>
	<b>Total Liabilities and Capital</b>		<b>\$8,204,454</b>	<b>\$7,926,800</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.

**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  
12/31/17

<b>Wastewater Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	<b>Operating Revenue</b>		
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
	<b>Total Revenues</b>	<b>\$1,592,137</b>	<b>\$1,479,846</b>
	<b>Operating Expenses</b>		
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
	<b>Total Operating Expenses</b>	<b>\$957,954</b>	<b>\$863,682</b>
	<b>Operating Income / (Loss)</b>	<b>\$634,183</b>	<b>\$616,164</b>
	<b>Other Income / (Expense)</b>		
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
	<b>Total Other Income / (Expense)</b>	<b>\$0</b>	<b>\$0</b>
	<b>Net Income / (Loss)</b>	<b>\$634,183</b>	<b>\$616,164</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.

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):	
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
0	0	0	0	0

FORCE MAINS		
Size	Material	Length (Feet)
4-inch	PVC	3,714
4-inch	DIP	120
6-inch	PVC	19,946
6-inch	DIP	693
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.

Liberty Utilities (Rio Rico 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
4	PVC	2,845	4	Various	2,057
6	PVC	3,335	6	Various	147
8	PVC	28,583	8	PVC	10
10	PVC	42	12	0	0
12	AC	14,494	15	0	0
15	0	0	0	0	0
18	DI	170	0	0	0
21	0	0	0	0	0
24	0	0	0	0	0
30	0	0	0	0	0
6	AC	7,938	0	0	0
8	AC	186,156	0	0	0
8	DI	2,232	0	0	0
10	AC	12,298	0	0	0
12	DI	60	0	0	0
14	AC	3,060	0	0	0
16	DI	494	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.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	None
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	None
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	(2) Wooden Storage Shed (20' x 20').
<b>Other</b> (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.

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Liberty Utilities (Rio Rico 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	2,145	12,826,000	547,000
February	2,159	12,182,000	534,000
March	2,169	13,333,000	971,000
April	2,163	11,213,000	428,000
May	2,176	11,237,000	426,000
June	2,178	10,608,000	423,000
July	2,163	11,359,000	764,000
August	2,174	12,895,000	598,000
September	2,151	12,274,000	432,000
October	2,178	12,721,000	448,000
November	2,166	12,760,000	640,000
December	2,164	12,694,000	466,000
	<b>Totals</b>	<b>146,102,000</b>	<b>6,677,000</b>

Provide the following information as applicable per wastewater system:

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

Wastewater flows above pumped to Nogales International WWTP

**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  
 12/31/17

Wastewater Flows			
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day
January	122	11,614,400	
February	118	11,233,600	
March	116	11,043,200	
April	116	11,043,200	
May	117	11,138,400	
June	116	11,043,200	
July	117	11,138,400	
August	116	11,043,200	
September	115	10,948,000	
October	117	11,138,400	
November	123	11,709,600	
December	123	11,709,600	
	<b>Totals</b>	<b>134,803,200</b>	<b>0</b>

Provide the following information as applicable per wastewater system:

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

Wastewater flows above are for Villa 12 Evaporative Ponds

**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  
 12/31/17

Name of System:	Liberty Utilities (Rio Rico Water and Sewer) Corp
Wastewater Inventory Number (if applicable):	0

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January	0	48	0
February	0	54	0
March	0	49	0
April	0	71	0
May	0	48	0
June	0	74	0
July	0	93	0
August	0	121	0
September	0	168	0
October	0	146	0
November	0	145	0
December	0	151	0
<b>Total</b>	<b>0</b>	<b>1,168</b>	<b>0</b>

**Other (description):**

None
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<b>Instructions:</b> 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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Liberty Utilities (Rio Rico Water and Sewer) Corp  
Annual Report  
Property Taxes  
12/31/17

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2016 was	\$59,172

If no property taxes paid, explain why. None
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**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  
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, President  
Company name: Liberty Utilities (Rio Rico 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

0

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

RECEIVED

JUN 08 2018

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: 12/31/17

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 (\$)  
\$1,709,396  
(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 Maricopa  
(county name)  
THIS 17th DAY OF 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): Maricopa  
Name (owner or official) title: Matthew Garlick, President  
Company name: Liberty Utilities (Rio Rico 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 RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$1,317,163

(The amount in the box above includes  
50 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 7<sup>th</sup> DAY OF June 2018  
(month) and (year)

MY COMMISSION EXPIRES April 13, 2022  
(date)



Virginia P. Covarrubias  
(signature of notary public)