

# 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

## WATER UTILITY

To

Arizona Corporation Commission

### Due on April 15th

Email: rdela Fuente@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

5/19/2017

6-b-17

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Liberty Utilities (Rio Rico 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 (Rio Rico Water and Sewer) Corp  
Annual Report  
Utility Plant in Service (Water)  
12/31/16

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$5,785	\$0	\$5,785	\$0	\$5,785
302	Franchises	417	0	0	417	0	417
303	Land and Land Rights	45,975	0	0	45,975	0	45,975
304	Structures and Improvements	3,319,713	35,137	2,784	3,352,066	1,682,615	1,669,451
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	464,558	36,999	0	501,557	277,926	223,631
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	272,500	0	6,266	266,234	57,396	208,838
310	Power Generation Equipment	218,988	0	0	218,988	155,082	63,906
311	Pumping Equipment	2,002,165	106,703	57,118	2,051,749	936,464	1,115,286
320	Water Treatment Equipment	377,079	4,276	0	381,355	242,188	139,168
320.1	Water Treatment Plants	39,033	0	0	39,033	8	39,025
320.2	Solution Chemical Feeders	5,409	42,535	0	47,944	5,105	42,839
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	759,320	0	0	759,320	321,549	437,771
330.1	Storage Tanks	1,066	0	0	1,066	59	1,007
330.2	Pressure Tanks	144	0	0	144	19	125
331	Transmission and Distribution Mains	22,849,025	162,894	6,568	23,005,351	11,734,471	11,270,880
333	Services	3,592,218	881,120	218,564	4,254,774	501,202	3,753,572
334	Meters and Meter Installations	1,688,309	90,867	33,432	1,745,744	883,003	862,740
335	Hydrants	633,380	1,997	82	635,296	259,094	376,201
336	Backflow Prevention Devices	10,198	0	0	10,198	2,308	7,890
339	Other Plant and Misc. Equipment	145,475	0	0	145,475	70,525	74,950
340	Office Furniture and Equipment	102,067	84	0	102,151	30,050	72,100
340.1	Computer & Software	101,153	2,535	741	102,947	581	102,366
341	Transportation Equipment	141,868	21,569	0	163,437	146,900	16,537
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	94,741	5,294	0	100,035	14,659	85,376
344	Laboratory Equipment	3,061	0	0	3,061	3,061	(1)
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	194,382	1,340	3,293	192,428	269,668	(77,240)
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$37,062,243</b>	<b>\$1,399,134</b>	<b>\$328,849</b>	<b>\$38,132,529</b>	<b>\$17,593,933</b>	<b>\$20,538,596</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.

Liberty Utilities (Rio Rico Water and Sewer) Corp  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/16

Depreciation Expense for the Current Year (Water)								
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
301	Organization	\$0	\$5,785	\$0	\$5,785	\$0	0.00%	\$0
302	Franchises	417	0	0	417	0	0.00%	0
303	Land and Land Rights	45,975	0	0	45,975	0	0.00%	0
304	Structures and Improvements	3,319,713	35,137	2,784	3,352,066	0	3.33%	111,836
305	Collecting & Improving Reservoirs	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	2.50%	0
307	Wells and Springs	464,558	36,999	0	501,557	0	3.33%	16,106
308	Infiltration Galleries	0	0	0	0	0	6.67%	0
309	Supply Mains	272,500	0	6,266	266,234	2	2.00%	5,323
310	Power Generation Equipment	218,988	0	0	218,988	0	5.00%	10,860
311	Pumping Equipment	2,002,165	106,703	57,118	2,051,749	796,307	12.50%	163,717
320	Water Treatment Equipment	377,079	4,276	0	381,355	0	-	12,565
320.1	Water Treatment Plants	39,033	0	0	39,033	0	3.33%	3
320.2	Solution Chemical Feeders	5,409	42,535	0	47,944	0	20.00%	3,888
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	759,320	0	0	759,320	0	-	16,874
330.1	Storage Tanks	1,066	0	0	1,066	0	2.22%	24
330.2	Pressure Tanks	144	0	0	144	0	5.00%	7
331	Transmission and Distribution Mains	22,849,025	162,894	6,568	23,005,351	1	2.00%	460,086
333	Services	3,592,218	881,120	218,564	4,254,774	0	3.33%	143,820
334	Meters and Meter Installations	1,688,309	90,867	33,432	1,745,744	453,205	8.33%	107,952
335	Hydrants	633,380	1,997	82	635,296	0	2.00%	12,720
336	Backflow Prevention Devices	10,198	0	0	10,198	0	6.67%	257
339	Other Plant and Misc. Equipment	145,475	0	0	145,475	377	6.67%	9,732
340	Office Furniture and Equipment	102,067	84	0	102,151	9,577	6.67%	6,172
340.1	Computer & Software	101,153	2,535	741	102,947	100,013	20.00%	588
341	Transportation Equipment	141,868	21,569	0	163,437	137,067	20.00%	4,480
342	Stores Equipment	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	94,741	5,294	0	100,035	125	5.00%	4,994
344	Laboratory Equipment	3,061	0	0	3,061	3,061	10.00%	0
345	Power Operated Equipment	0	0	0	0	0	5.00%	0
346	Communication Equipment	194,382	1,340	3,293	192,428	0	10.00%	3,459
347	Miscellaneous Equipment	0	0	0	0	0	10.00%	0
348	Other Tangible Plant	0	0	0	0	0	10.00%	0
	<b>Subtotal</b>	<b>\$37,062,243</b>	<b>\$1,399,134</b>	<b>\$328,849</b>	<b>\$38,132,529</b>	<b>\$1,499,735</b>		<b>\$1,095,463</b>

Contribution(s) in Aid of Construction (Gross) \$20,222,917  
Less: Non Amortizable Contribution(s) 0  
Fully Amortized Contribution(s) 0  
Amortizable Contribution(s) \$20,222,917  
Times: Proposed Amortization Rate 2.99%  
Amortization of CIAC 632666.62

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.

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.	<b>Current and Accrued Assets</b>			
131	Cash		\$4,425	\$11,748
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		452,678	207,088
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,485	1,414
174	Miscellaneous Current and Accrued Assets		51,334	0
	<b>Total Current and Accrued Assets</b>		<b>\$509,922</b>	<b>\$220,250</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$37,062,243	\$38,132,529
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,499,292	851,843
108	Accumulated Depreciation (enter as negative)*		(16,518,505)	(17,593,933)
121	Non-Utility Property		1,110,813	836,526
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$23,153,843</b>	<b>\$22,226,966</b>
	<b>Total Assets</b>		<b>\$23,663,765</b>	<b>\$22,447,216</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 AR3 UPIS Page 3

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>		<b>Balance at Beginning of Year (2016)</b>	<b>Balance at End of Year (2016)</b>
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$307	(\$5)
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		632,921	71,672
235	Customer Deposits		0	0
236	Accrued Taxes		6,376	3,651
237	Accrued Interest		11,471	16,683
242	Miscellaneous Current and Accrued Liabilities		1,118,328	404,692
	<b>Total Current Liabilities</b>		<b>\$1,769,402</b>	<b>\$496,693</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		1,295,552	1,310,296
253	Other Deferred Credits		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		20,269,400	20,227,917
272	Less: Amortization of Contributions		(11,673,307)	(11,519,051)
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$9,891,645</b>	<b>\$10,019,162</b>
	<b>Total Liabilites</b>		<b>\$11,661,047</b>	<b>\$10,515,855</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$1	\$0
211	Other Paid-In Capital		11,040,327	10,902,085
215	Retained Earnings		962,390	1,029,276
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$12,002,718</b>	<b>\$11,931,361</b>
	<b>Total Liabilities and Capital</b>		<b>\$23,663,765</b>	<b>\$22,447,216</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!

Liberty Utilities (Rio Rico Water and Sewer) Corp  
Annual Report  
Water Comparative Income Statement  
12/31/16

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2016 - 12/31/2016	Last Year 01/01/2015 - 12/31/2015
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$1,542,470	\$2,871,725
460	Unmetered Water Revenue	\$1,679,236	0
462	Fire Protection Revenue	1,374	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	41,203	47,691
420	AFUDC Revenue	0	10,696
	<b>Total Revenues</b>	<b>\$3,264,283</b>	<b>\$2,930,112</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	41,110	42,241
615	Purchased Power	371,274	386,286
616	Fuel for Power Production	0	0
618	Chemicals	13,866	6,357
620	Materials and Supplies	21,901	19,761
620.1	Repairs and Maintenance	0	0
620.2	Office Supplies and Expense	66,234	43,518
630	Contractual Services	0	0
631	Contractual Services -Engineering	9,438	0
632	Contractual Services - Accounting	(187)	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	751,120	603,279
635	Contractual Services - Water Testing	40,605	7,697
636	Contractual Services - Other	539,505	705,429
635	Water Testing	0	0
640	Rents	0	5,908
641	Rental of Building/Real Property	108	0
642	Rental of Equipment	9,117	0
650	Transportation Expenses	49,527	65,937
657	Insurance - General Liability	22,288	25,177
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	77,778	118,317
667	Regulatory Commission Expense - Other	1,041,615	0
675	Miscellaneous Expense	116,650	112,493
403	Depreciation Expense (From Schedule AR4)	462,796	447,507
408	Taxes Other Than Income	0	0
408.11	Property Taxes	173,426	181,995
409	Income Taxes	0	0
	<b>Total Operating Expenses</b>	<b>\$3,808,170</b>	<b>\$2,771,902</b>
	<b>Operating Income / (Loss)</b>	<b>(\$543,887)</b>	<b>\$158,210</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(11,660)	(9,349)
	<b>Total Other Income / (Expense)</b>	<b>(\$11,660)</b>	<b>(\$9,349)</b>
	<b>Net Income / (Loss)</b>	<b>(\$555,547)</b>	<b>\$148,861</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  
 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:	\$329,610
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Meter Deposits Refunded During the Test Year:	\$8,879
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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.***



**Water Utility Plant Description**

Name of the System: Liberty Utilities (Rio Rico Water and Sewer) Corp  
 ADEQ Public Water System Number: 12011

**WELLS**

ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-502579	200	1,100	650	16	turbine	8	1983	<10 ppb
55-619359	75	625	250	10	submersible	6	1985	<10ppb
55-604302	20	0	unk	16	none	2	1972	Not in svc
55-604364	75	625	251	10	submersible	6	1968	<10ppb
55-604363	75	650	603	12	submersible	8	1970	<10ppb
55-604366	20	0	unk	10	nonr	2	1967	Not in svc
55-587292	200	975	605	16	turbine	10	2003	<10ppb
55-206176	250	1,300	650	16	turbine	10	2005	<10ppb

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

**BOOSTER PUMPS**

Horsepower	GPM	Quantity
3	various	2
7.5	various	9
10	various	3
15	various	10
20	various	8
25	various	13
30	various	8
40	various	2

**FIRE HYDRANTS**

Type	Quantity
Standard ***	315
Other	0

**STORAGE TANKS**

Capacity	Material	Quantity
1,000,000	Steel	1
640,000	Steel	1
200,000	Steel	1
150,000	Steel	1
100,000	Steel	1
10,000	Steel	4

**PRESSURE/BLADDER TANKS**

Capacity	Quantity
5,000	16
2,000	9
1,500	3
132	2
90	1
53	1
34	4

**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.

\* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

\*\* Pump motor type, turbine or submersible.

\*\*\* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
Unknown	ACP/DIP/PVC	13,153	5/8 X 3/4	6,566
1	ACP/DIP/PVC	0	3/4	10
2	ACP/DIP/PVC	0	1	12
3	ACP/DIP/PVC	0	1 1/2	17
4	ACP/DIP/PVC	467,444	Compound 2	44
6	ACP/DIP/PVC	884,117	Turbine 2	0
8	ACP/DIP/PVC	217,202	Compound 3	24
10	ACP/DIP/PVC	1,144	Turbine 3	0
12	ACP/DIP/PVC	312,768	Compound 4	4
16	ACP/DIP/PVC	96,443	Turbine 5	0
18	ACP/DIP/PVC	0	Compound 6	1
			Turbine 6	0
			6+	0

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

<b>TREATMENT EQUIPMENT:</b>	Gas chlorination system using 150# cylinders, converted to liquid bleach in August, 2016
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<b>STRUCTURES:</b>	2- 20'x20' storage sheds, 6 - 8'x8' chlorination buildings (at well sites)
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<b>OTHER:</b>	None
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**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.

Water Use Data Sheet					
Name of the System:		Liberty Utilities (Rio Rico Water and Sewer)			
ADEQ Public Water System Number:		12011			
Month	Number of Customers	Gallons Sold (thousands) <sup>1</sup>	Gallons Pumped (thousands) <sup>2</sup>	Gallons Purchased (thousands) <sup>3</sup>	Estimated Gallons Authorized Use (thousands) <sup>4</sup>
January	6,547	44,899	53,511	0	1,447
February	6,562	42,584	47,967	0	1,435
March	6,581	45,467	55,550	0	1,390
April	6,563	53,332	61,066	0	1,598
May	6,548	60,087	67,726	0	1,295
June	6,577	66,805	71,368	0	1,800
July	6,580	65,422	69,137	0	1,490
August	6,591	57,716	62,146	0	400
September	6,608	55,738	56,842	0	526
October	6,605	54,026	56,014	0	474
November	6,601	51,915	50,410	0	331
December	6,607	48,898	48,016	0	556
	<b>Totals</b>	<b>646,889</b>	<b>699,753</b>	<b>0</b>	<b>12,742</b>

If the system has fire hydrants, what is the fire flow requirements?  GPM for  hrs.

Does the system have chlorination treatment?

Is the Water Utility located in an ADWR Active Management Area (AMA)?   
 If yes, which AMA?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?   
 If yes, provide the GPCPD amount:

**If applicable, in the space below please provide a description for all un-metered water use along with amounts:**  
 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.

- 1 Gallons sold - Total gallons from customer meters.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

Liberty Utilities (Rio Rico Water and Sewer) Corp  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/16

ADEQ System No. :	12011
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Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.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
<b>Total</b>	<b>0</b>	<b>802</b>	<b>0</b>

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

<b>Property Taxes</b>	
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Amount of actual property taxes paid during Calendar Year 2016 was	<b>\$173,313</b>
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If no property taxes paid, explain why.
None

<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  
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.

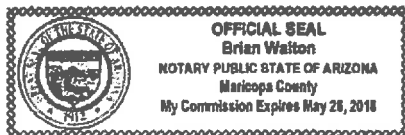
Matthew Garlick  
signature of owner/official

623-935-9367  
telephone no.

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

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

MY COMMISSION EXPIRES 5-26-18  
(date)



Brian Waiton  
(signature of notary public)

RECEIVED  
JUN 06 2017  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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, 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 (\$)  
\$3,264,283  
(The amount in the box above includes  
\$0 in sales taxes  
billed or collected)

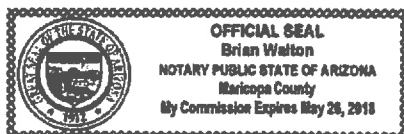
Matthew Garlick  
signature of owner/official

623-935-9367  
telephone no.

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

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

MY COMMISSION EXPIRES 5-26-18  
(date)



Brian Walton  
(signature of notary public)

Liberty Utilities (Rio Rico Water and Sewer) Corp  
Annual Report  
Verification and Statement (Residential Revenue)  
12/31/16

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 (\$)

\$2,787,438

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

Matthew Garlick  
signature of owner/official

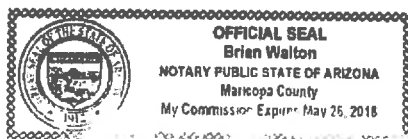
623-935-9367  
telephone no.

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

MARICOPA  
(county name)

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

MY COMMISSION EXPIRES 5-26-18  
(date)



Brian Walton  
(signature of notary public)