

ANNUAL REPORT

Of

Company Name: Rio Verde Utilities, Inc.
25609 Danny Lane

Mailing Address: Rio Verde AZ 85263

Docket No.: WS-02156A

For the Year Ended: 12/31/16

RECEIVED
MAY 16 2017
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefuente@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:

Original Filing

Application Date:

5/15/17

5-17-17

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Rio Verde Utilities, 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:

Rio Verde Utilities, Inc
 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	OCID (OC less AD)
301	Organization	\$1,380	\$0	\$0	\$1,380	\$0	\$1,380
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	186,074	0	0	186,074	0	186,074
304	Structures and Improvements	77,407	0	0	77,407	37,946	39,461
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	2,583,586	0	0	2,583,586	1,266,516	1,317,070
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	55,241	0	0	55,241	27,080	28,161
311	Pumping Equipment	1,518,225	42,826	0	1,561,051	744,914	816,137
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	35,641	0	0	35,641	17,472	18,169
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	362,575	43,640	0	406,215	178,408	227,807
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	4,500,335	796,886	0	5,297,221	2,218,347	3,078,874
333	Services	421,065	136,587	0	557,652	208,506	349,146
334	Meters and Meter Installations	186,995	41,989	0	228,984	92,311	136,673
335	Hydrants	500,473	125,378	0	625,851	247,261	378,590
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	17,870	6,675	0	24,545	8,863	15,682
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	97,667	26,359	0	124,026	48,281	75,745
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	11,964	0	0	11,964	5,865	6,099
344	Laboratory Equipment	13,409	0	0	13,409	6,573	6,836
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	64,497	97,736	0	162,233	33,115	129,118
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	133,223	20,281	0	153,504	65,619	87,885
	Totals	\$10,767,627	\$1,338,357	\$0	\$12,105,984	\$5,207,077	\$6,898,907

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.

Rio Verde Utilities, Inc
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	\$1,380	\$0	\$0	\$1,380	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	186,074	0	0	186,074	0	0.00%	0
304	Structures and Improvements	77,407	0	0	77,407	0	3.06%	2,372
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	2,583,586	0	0	2,583,586	0	3.06%	79,164
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	55,241	0	0	55,241	0	3.06%	1,693
311	Pumping Equipment	1,518,225	42,826	0	1,561,051	0	3.06%	47,176
320	Water Treatment Equipment	0	0	0	0	0	-	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	35,641	0	0	35,641	0	3.06%	1,092
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	-	0
330.1	Storage Tanks	362,575	43,640	0	406,215	0	3.06%	11,778
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	4,500,335	796,886	0	5,297,221	0	3.06%	150,104
333	Services	421,065	136,587	0	557,652	0	3.06%	14,995
334	Meters and Meter Installations	186,995	41,989	0	228,984	0	3.06%	6,373
335	Hydrants	500,473	125,378	0	625,851	0	3.06%	17,256
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	17,870	6,075	0	24,545	0	3.06%	650
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	97,667	26,359	0	124,026	0	3.06%	3,396
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	11,964	0	0	11,964	0	3.06%	367
344	Laboratory Equipment	13,409	0	0	13,409	0	3.06%	411
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	64,497	97,736	0	162,233	0	3.06%	3,474
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	133,223	20,281	0	153,504	0	3.06%	4,393
	Subtotal	\$10,767,627	\$1,338,357	\$0	\$12,105,984	\$0		\$344,694

Beginning Balance Contribution(s) in Aid of Construction (CIAC)	\$1,563,163
Additions to CIAC	\$117,000
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,680,163
Times Proposed Amortization Rate	3.06%
Amortization of CIAC	\$49,690
Less: Amortization of CIAC	\$49,690
DEPRECIATION EXPENSE	\$295,004

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.

Rio Verde Utilities, Inc.
 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		\$107,875	\$545,002
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		92,091	86,919
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		1,425	4,184
162	Prepayments		32,951	21,895
174	Miscellaneous Current and Accrued Assets		292,113	481,015
	Total Current and Accrued Assets		\$526,455	\$1,139,015
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$10,767,627	\$12,105,984
103	Property Held for Future Use		0	0
105	Construction Work in Progress		11,643	11,643
108	Accumulated Depreciation (enter as negative)*		(4,862,383)	(5,207,077)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$5,916,887	\$6,910,550
	Total Assets		\$6,443,342	\$8,049,565

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

Rio Verde Utilities, Inc.
 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		\$46,351	\$87,850
232	Notes Payable (Current Portion)		134,292	92,365
234	Notes Payable to Associated Companies		50,045	30,191
235	Customer Deposits		0	0
236	Accrued Taxes		7,649	5,873
237	Accrued Interest		0	1,574
242	Miscellaneous Current and Accrued Liabilities		0	28,052
	Total Current Liabilities		\$238,337	\$245,905
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$350,018	\$402,868
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		47,635	1,213,471
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,563,163	1,680,163
272	Less: Amortization of Contributions		(887,647)	(937,337)
281	Accumulated Deferred Income Tax		635,992	611,821
	Total Deferred Credits		\$1,359,143	\$2,568,118
	Total Liabilities		\$1,947,498	\$3,216,891
	Capital Accounts			
201	Common Stock Issued		\$1,533,989	\$1,533,989
211	Other Paid-In Capital		0	0
215	Retained Earnings		2,961,855	3,298,685
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$4,495,844	\$4,832,674
	Total Liabilities and Capital		\$6,443,342	\$8,049,565

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!

Rio Verde Utilities, Inc.
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
	Operating Revenue		
461	Metered Water Revenue	\$1,542,885	\$1,371,547
460	Unmetered Water Revenue	5,858	4,680
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	35,000	35,000
	Total Revenues	\$1,583,743	\$1,411,227
	Operating Expenses		
601	Salaries and Wages	\$133,175	\$130,280
604	Employee Pensions and Benefits	0	0
610	Purchased Water	99,164	101,286
615	Purchased Power	285,056	258,475
618	Chemicals	19,974	17,561
620	Materials and Supplies	3,428	4,569
620.1	Repairs and Maintenance	73,003	263,912
620.2	Office Supplies and Expense	12,084	9,958
630	Contractual Services	8,607	4,785
631	Contractual Services -Engineering	11,040	8,952
632	Contractual Services - Accounting	97,580	81,709
633	Contractual Services - Legal	10,079	10,829
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	6,940	5,082
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	24,000	24,272
642	Rental of Equipment	4,711	4,363
650	Transportation Expenses	11,352	9,559
657	Insurance - General Liability	47,746	16,873
657.1	Insurance - Health and Life	20,773	17,501
665	Regulatory Commission Expense Rate	0	0
675	Miscellaneous Expense	10,012	9,271
403	Depreciation Expense (From Schedule AR4)	295,004	274,659
408	Taxes Other Than Income	19,845	18,942
408.11	Property Taxes	43,641	49,844
409	Income Taxes	(9,469)	3,028
	Total Operating Expenses	\$1,227,745	\$1,325,710
	Operating Income / (Loss)	\$355,998	\$85,517
	Other Income / (Expense)		
419	Interest and Dividend Income	(\$162)	\$102
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(17,156)	(26,306)
	Total Other Income / (Expense)	(\$17,318)	(\$26,204)
	Net Income / (Loss)	\$338,680	\$59,313

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.

Rio Verde Utilities, Inc.
 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	12/5/2001	none	none	none
Source of Loan	CoBank	none	none	none
ACC Decision No.	63585	none	none	none
Reason for Loan	Plant Expansion	none	none	none
Dollar Amt. Issued	\$2,469,787	none	none	none
Amount Outstanding	\$953,958	none	none	none
Date of Maturity	12/21/2021	none	none	none
Interest Rate	variable	none	none	none
Current Year Interest	\$36,205	none	none	none
Current Year Principal	\$155,210	none	none	none

Meter Deposit Balance at Test Year End:	\$504,645
---	-----------

Meter Deposits Refunded During the Test Year:	\$8,545
---	---------

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:	Rio Verde Utilities, Inc
ADEQ Public Water System Number:	7121

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)
55-606073	25	310	145	12	turbine	6	1962	0.0100
55-606071	75	700	697	20.16	turbine	6	1971	0.0070
55-561190	200	1,000	1,050	18	turbine	12	1997	0.0000
55-506808	10	110	117	16.12	turbine	3	1984	0.0070
55-510881	200	950	1,075	16	turbine	8	1986	0.0000
55-511320	40	380	665	16	turbine	6	1986	0.0230
55-519287	200	500	950	16	turbine	8&6	1987	0.0000
55-561226	400	2,000	1,160	16	turbine	12	1997	0.0000
55-578746	20	510	200	12	turbine	6	2000	0.0070
none	0	0	0	0	0	0	0	0.0000
none	0	0	0	0	0	0	0	0.0000
none	0	0	0	0	0	0	0	0.0000

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Water Exchange CAP/SRP	890	124,506
none	0	0

BOOSTER PUMPS

Horsepower	GPM	Quantity
30	300	2
50	500	1
300	1,850	2
100	1,000	2

FIRE HYDRANTS

Type	Quantity
Standard ***	298
Other	0

STORAGE TANKS

Capacity	Material	Quantity
300,000	steel	1
740,000	steel	1
none	none	0

PRESSURE/BLADDER TANKS

Capacity	Quantity
500	1
none	0
none	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. 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
2	PVC	1,585	5/8 X 3/4	0
3	PVC	6,186	3/4	380
4	PVC	57,343	1	1,419
5	none	0	1 1/2	17
6	PVC	71,719	Compound 2	0
8	PVC	121,855	Turbine 2	8
10	none	0	Compound 3	0
12	PVC	23,476	Turbine 3	0
8	DIP/Transite	995/29084	Compound 4	0
10	Transite	700	Turbine 5	0
12	DIP/Transite	3841/1700	Compound 6	1
16	DIP	1,844	Turbine 6	0
6	DIP	53	6+	7

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

TREATMENT EQUIPMENT:	Hypochlorinators @Wells 1 & 2
-----------------------------	-------------------------------

STRUCTURES:	Lab/Office 2 Wastewater Treatemnt Plant, Fenced Areas @ storage tanks and wells, walled areas @ wells 1,5,6,8
--------------------	---

OTHER:	150 KW Generator 2 300,000 storage tank, 75 KW Generator @ well 2, 150 KW Generator @ Vista Verde Booster Pump
---------------	--

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.

Water Use Data Sheet					
Name of the System:		Rio Verde Utilities, Inc			
ADEQ Public Water System Number:		7121			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	1,791	26,181	29,914		
February	1,802	53,060	58,114		
March	1,817	75,579	82,985		
April	1,833	90,018	118,905		
May	1,843	111,559	120,549		
June	1,846	123,812	133,141		
July	1,872	118,710	127,389		
August	1,880	113,738	122,362		
September	1,880	108,386	113,304		
October	1,890	96,833	108,848		
November	1,905	46,827	53,166		
December	1,930	28,688	32,206		
Totals		993,391	1,100,883	0	0

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:

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.

- 1 Gallons sold - Total gallons from customer meters, and other sold gallons such as Construction water.
- 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.

Rio Verde Utilities, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

ADEQ System No. :	7121
-------------------	------

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	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.

Rio Verde Utilities, Inc.
Annual Report
Property Taxes
12/31/16

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2016 was	\$43,641

If no property taxes paid, explain why.
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.

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: James Thomson, President
Company name: Rio Verde Utilities, Inc.

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.

RECEIVED

APR 28 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

James Thomson
signature of owner/official

480-471-7247

telephone no.

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

THIS

27th

DAY OF

Maricopa
(county name)
April 2017
(month) and (year)

MY COMMISSION EXPIRES

10-27-2017
(date)



Constance J. Sauter
(signature of notary public)

Verification and Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Maricopa
Name (owner or official) title: James Thomson, President
Company name: Rio Verde Utilities, Inc.

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 (\$)
\$1,680,945
(The amount in the box above includes
\$97,202 in sales taxes
billed or collected)

RECEIVED
APR 28 2017
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

James Thomson
signature of owner/official
480-471-7247
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Maricopa
(county name)
THIS 27th DAY OF April 2017
(month) and (year)
MY COMMISSION EXPIRES 10-27-2017
(date)



Constance J. Sauter
(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: James Thomson, President
Company name: Rio Verde Utilities, Inc.

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 (\$)

\$597,434

(The amount in the box above includes

\$35,408 in sales taxes
billed or collected)

RECEIVED
APR 28 2017
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

James Thomson
signature of owner/official

480-471-7247
telephone no.

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

Maricopa
(county name)

THIS 27th DAY OF April 2017
(month) and (year)

MY COMMISSION EXPIRES 10-27-2017
(date)



Constance J. Sauter
(signature of notary public)