

ANNUAL REPORT

Of

Company Name:

Appaloosa Water Company

PO Box 3150

Mailing Address:

Chino Valley AZ

86323

Docket No.:

W-03443A

For the Year Ended:

12/31/16

RECEIVED

JUN 29 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER 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:

2016

6-30-17

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Appaloosa Water Company
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:

Appaloosa Water Company
Annual Report
Utility Plant in Service (Water)
12/31/16

Utility Plant in Service (Water)				
Account No.	Description	Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$264	\$0	\$264
302	Franchises	2,309	0	2,309
303	Land and Land Rights	3,161	0	3,161
304	Structures and Improvements	67,051	24,562	42,489
305	Collecting & Improving Reservoirs	0	0	0
306	Lake, River, Canal Intakes	0	0	0
307	Wells and Springs	238,519	87,372	151,147
308	Infiltration Galleries	0	0	0
309	Supply Mains	0	0	0
310	Power Generation Equipment	0	0	0
311	Pumping Equipment	94,131	94,131	0
320	Water Treatment Equipment	0	0	
320.1	Water Treatment Plants	148,250	33,085	115,165
320.2	Solution Chemical Feeders	0	0	0
320.3	Point-of-Use Treatment Devices	25,635	17,072	8,563
330	Distribution Reservoirs and Standpipes	0	0	
330.1	Storage Tanks	100,438	38,489	61,949
330.2	Pressure Tanks	0	0	0
331	Transmission and Distribution Mains	745,102	163,922	581,180
333	Services	0	0	0
334	Meters and Meter Installations	15,055	13,791	1,264
335	Hydrants	48,876	10,757	38,119
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	1,850	1,355	495
340.1	Computer & Software	1,500	1,500	0
341	Transportation Equipment	0	0	0
342	Stores Equipment	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	12,889	7,993	4,896
	Totals	\$1,505,030	\$494,029	\$1,011,001

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.

Appaloosa Water Company

Annual Report

Depreciation Expense for the Current Year (Water)

12/31/16

Depreciation Expense for the Current Year (Water)								
Account No.	Description	Original Cost	Current Year Additions	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$264	\$0	\$264	\$264	\$0	0.00%	\$0
302	Franchises	2,309	0	2,309	2,309	0	0.00%	0
303	Land and Land Rights	3,161	0	3,161	3,161	0	0.00%	0
304	Structures and Improvements	67,051	0	67,051	0	67,051	3.33%	2,233
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	238,519	0	238,519	0	238,519	3.33%	7,943
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	0	0	0	0	0	0.00%	0
311	Pumping Equipment	94,131	0	94,131	94,131	0	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	-	0
320.1	Water Treatment Plants	148,250	0	148,250	0	148,250	3.33%	4,937
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	25,635	0	25,635	0	25,635	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	-	0
330.1	Storage Tanks	100,438	0	100,438	0	100,438	2.22%	2,230
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	745,102	0	745,102	0	745,102	2.00%	14,902
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	15,055	0	15,055	0	15,055	8.33%	1,254
335	Hydrants	48,876	0	48,876	0	48,876	2.00%	978
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	1,850	0	1,850	0	1,850	6.67%	123
340.1	Computer & Software	1,500	0	1,500	1,500	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	12,889	0	12,889	0	12,889	2.00%	258
	Subtotal	\$1,505,030	\$0	\$1,505,030	\$101,365	\$1,403,665		\$34,857

Contribution(s) in Aid of Construction (Gross)	\$1,240,943
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$1,240,943</u>
Times: Proposed Amortization Rate	2.48%
Amortization of CIAC	30815.92479

Less: Amortization of CIAC 30815.92479

DEPRECIATION EXPENSE **\$4,041**

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.

Appaloosa Water Company
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		\$5,304	\$8,397
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		1,610	11,131
146	Notes Receivable from Associated Companies		83,539	104,844
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		13,662	15,072
	Total Current and Accrued Assets		\$104,115	\$139,444
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,505,030	\$1,505,030
103	Property Held for Future Use		60,000	60,000
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(450,638)	(494,029)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,114,392	\$1,071,001
	Total Assets		\$1,218,507	\$1,210,445

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

Appaloosa Water Company
 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		\$18,004	\$2,503
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		6,000	6,500
236	Accrued Taxes		4,078	4,688
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$28,082	\$13,691
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$158,300	\$149,305
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,240,943	1,240,943
272	Less: Amortization of Contributions		190,179	220,995
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$1,431,122	\$1,461,938
	Total Liabilites		\$1,617,504	\$1,624,934
	Capital Accounts			
201	Common Stock Issued		\$2,000	\$2,000
211	Other Paid-In Capital		0	0
215	Retained Earnings		494,208	494,208
218	Proprietary Capital (Sole Props and Partnerships)		(895,205)	(910,697)
	Total Capital		(\$398,997)	(\$414,489)
	Total Liabilities and Capital		\$1,218,507	\$1,210,445

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!

Appaloosa Water Company
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	\$142,791	\$137,903
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	220	0
474	Other Water Revenue	1,380	580
	Total Revenues	\$144,391	\$138,483
	Operating Expenses		
601	Salaries and Wages	\$61,289	\$49,756
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	7,526	7,699
618	Chemicals	197	350
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	5,764	0
620.2	Office Supplies and Expense	806	3,319
630	Contractual Services	5,400	4,800
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	3,399	0
633	Contractual Services - Legal	2,860	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,200	1,200
636	Contractual Services - Other	6,503	4,605
635	Water Testing	962	1,080
640	Rents	6,200	6,000
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	4,243	3,944
657.1	Insurance - Health and Life	2,227	0
665	Regulatory Commission Expense - Rate	0	0
675	Miscellaneous Expense	1,818	2,034
403	Depreciation Expense (From Schedule AR4)	4,041	1,093
408	Taxes Other Than Income	0	0
408.11	Property Taxes	7,088	7,218
409	Income Taxes	4,688	4,078
	Total Operating Expenses	\$126,211	\$97,176
	Operating Income / (Loss)	\$18,180	\$41,307
	Other Income / (Expense)		
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)	\$18,180	\$41,307

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.

Appaloosa Water Company
 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	11/6/2007	NONE	NONE	NONE
Source of Loan	WIFA	0	0	0
ACC Decision No.	71236	0	0	0
Reason for Loan	ARSENIC EQ	0	0	0
Dollar Amt. Issued	\$200,000	\$0	\$0	\$0
Amount Outstanding	\$158,300	\$0	\$0	\$0
Date of Maturity	11/1/2029	NONE	NONE	NONE
Interest Rate	3.68%	0.00%	0.00%	0.00%
Current Year Interest	\$1,079	\$0	\$0	\$0
Current Year Principal	\$8,633	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$6,500
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Meter Deposits Refunded During the Test Year:	\$500
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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: APPALOOSA WATER COMPANY
 ADEQ Public Water System Number: 13208

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)
55-607204	7.5	660	16	16	0	6	1999	0
55-607203	10	220	12	12	0	6	2,004	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0

OTHER WATER SOURCES		
Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE	0	0
NONE	0	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	175	2
7.5	125	1
10	175	1
100	100	1

FIRE HYDRANTS	
Type	Quantity
Standard ***	26
Other	NONE

STORAGE TANKS		
Capacity	Material	Quantity
65,000	STEEL	1
NONE	NONE	NONE
NONE	NONE	NONE

PRESSURE/BLADDER TANKS	
Capacity	Quantity
5,500	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	3,589	5/8 X 3/4	185
3	0	0	3/4	0
4	PVC	1,657	1	49
5	0	0	1 1/2	0
6	PVC	22,933	Compound 2	0
8	PVC	5,395	Turbine 2	0
10	0	0	Compound 3	0
12	0	0	Turbine 3	0
0	0	0	Compound 4	0
0	0	0	Turbine 5	0
0	0	0	Compound 6	0
0	0	0	Turbine 6	0
0	0	0	6+	0

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

TREATMENT EQUIPMENT:	ARSENIC AND A 5000 BACKWASH TANK
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STRUCTURES:	60X40 SLUMBLOCK WALL WITH IRON GATE ENTRY 38X48 65,000 GAL STORAGE TANK 28X24 PUMPHOUSE 5,500 GAL HYDRO TANK 5,000 GAL BACKWASH TANK 74' SLUMBLOCK WALL 6' HIGH 20X40 SLUMBLOCK BUILDING WHICH HOUSES THE ARSENIC TREATMENT PLANT
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OTHER:	350' FIREHOSES PIPE WRENCHES AND OTHER MISCELLANEOUS TOOLS LADDER 290 DEGREE BLOWOFF EXTENSION CHLORINATION SYSTEM
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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. Copy and paste this sheet as many times as is necessary.

Water Use Data Sheet					
Name of the System:		APPALOOSA WATER COMPANY			
ADEQ Public Water System Number:		13208			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	229	902,840	921,500	NONE	NONE
February	229	908,330	947,600	NONE	NONE
March	229	1,437,270	1,476,700	NONE	NONE
April	228	1,484,470	1,467,500	NONE	NONE
May	229	1,647,590	1,713,300	NONE	NONE
June	228	2,587,200	2,659,200	NONE	NONE
July	229	2,316,170	2,319,700	NONE	NONE
August	230	1,669,500	1,649,800	NONE	NONE
September	230	1,940,570	1,962,600	NONE	NONE
October	231	1,513,240	1,505,500	NONE	NONE
November	231	1,433,870	1,432,200	NONE	NONE
December	232	769,480	793,300	NONE	NONE
Totals		18,610,530	18,848,900	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:
 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.

Appaloosa Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

ADEQ System No. :	13208
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Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	NONE	NONE	NONE
February	NONE	NONE	NONE
March	NONE	NONE	NONE
April	NONE	NONE	NONE
May	NONE	NONE	NONE
June	NONE	NONE	NONE
July	NONE	NONE	NONE
August	NONE	NONE	NONE
September	NONE	NONE	NONE
October	NONE	NONE	NONE
November	NONE	NONE	NONE
December	NONE	NONE	NONE
Total	0	0	0

Other (description):

NONE

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.

Appaloosa Water Company
Annual Report
Property Taxes
12/31/16

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2015 was	
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	\$7,088
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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.

Appaloosa Water Company
Annual Report
Verification and Statement (Taxes)
12/31/16

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JUN 29 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): Yavapai
Name (owner or official) title: JOSEPH CORDOVANA
Company name: Appaloosa Water Company

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.

Joseph Cordovana
signature of owner/official

9282376128
telephone no.

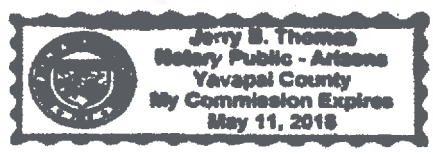
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JUN 29 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

THIS 20th DAY OF June, 2017
(month) and (year)

MY COMMISSION EXPIRES 5-11-2018
(date)



Jerry B. Thomas
(signature of notary public)

Verification and Statement

Verification:

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

County of (county name): Yavapai

Name (owner or official) title: JOSEPH CORDOVANA

Company name: Appaloosa Water Company

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JUN 29 2017

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: 12/31/16

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 (\$)

\$144,604

(The amount in the box above includes

\$0 in sales taxes

billed or collected)

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JUN 29 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Joseph Cordovana
signature of owner/official

9282376128

telephone no.

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

THIS

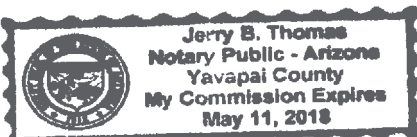
26th

DAY OF

YAVAPAI
(county name)
June, 2017
(month) and (year)

MY COMMISSION EXPIRES

5-11-2018
(date)



[Signature]
(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

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

County of (county name):

Yavapai

Name (owner or official) title:

JOSEPH CORDOVANA

Company name:

Appaloosa Water Company

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JUN 29 2017

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: 12/31/16

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 (\$)

\$144,604

(The amount in the box above includes

\$0 in sales taxes

billed or collected)

Joe Cordovana
signature of owner/official

9282376128

telephone no.

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

Yavapai
(county name)

THIS

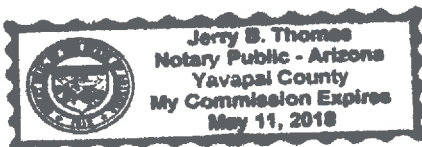
26th

DAY OF

June, 2017
(month) and (year)

MY COMMISSION EXPIRES

5-11-2018
(date)



[Signature]
(signature of notary public)