

ANNUAL REPORT

Of

Company Name:
1501 S. La Canada Dr.

Mailing Address:

Docket No.:
For the Year Ended:

RECEIVED
APR 13 2018
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:
Application Date:

4-13-18

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Community Water Company of Green Valley
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:

Community Water Company of Green Valley
Annual Report
Utility Plant in Service (Water)
12/31/17

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	47,863.07	0.00	0.00	\$47,863	47,587.98	\$275
302	Franchises	243.65	0.00	0.00	244	135.66	108
303	Land and Land Rights	170,589.35	0.00	0.00	170,589	0.00	170,589
304	Structures and Improvements	171,956.47	0.00	0.00	171,956	66,010.27	105,946
305	Collecting & Improving Reservoirs	0.00	0.00	0.00	0	0.00	0
306	Lake, River, Canal Intakes	0.00	0.00	0.00	0	0.00	0
307	Wells and Springs	2,013,049.10	0.00	0.00	2,013,049	691,791.10	1,321,258
308	Infiltration Galleries	0.00	0.00	0.00	0	0.00	0
309	Supply Mains	0.00	0.00	0.00	0	0.00	0
310	Power Generation Equipment	0.00	0.00	0.00	0	0.00	0
311	Pumping Equipment	3,339,377.62	126,581.54	19,822.00	3,446,137	3,446,137.16	0
320	Water Treatment Equipment	4,464,028.49	420.23	627.00	4,463,822	1,453,896.16	3,009,926
320.1	Water Treatment Plants	0.00	0.00	0.00	0	0.00	0
320.2	Solution Chemical Feeders	0.00	0.00	0.00	0	0.00	0
320.3	Point-of-Use Treatment Devices	0.00	0.00	0.00	0	0.00	0
330	Distribution Reservoirs and Standpipes	2,004,807.02	24,546.35	0.00	2,029,353	531,404.14	1,497,949
330.1	Storage Tanks	0.00	0.00	0.00	0	0.00	0
330.2	Pressure Tanks	0.00	0.00	0.00	0	0.00	0
331	Transmission and Distribution Mains	19,383,865.95	381,749.28	6,678.43	19,758,937	7,322,170.58	12,436,766
333	Services	5,323,761.29	257,020.33	5,111.10	5,575,671	2,513,436.59	3,062,234
334	Meters and Meter Installations	2,032,941.31	276,646.17	37,008.53	2,272,579	882,884.49	1,389,694
335	Hydrants	2,109,968.50	56,382.69	0.00	2,166,351	821,679.64	1,344,672
336	Backflow Prevention Devices	0.00	0.00	0.00	0	0.00	0
339	Other Plant and Misc. Equipment	606,267.51	0.00	0.00	606,268	601,233.03	5,034
340	Office Furniture and Equipment	178,555.37	8,563.97	6,000.00	181,119	84,583.76	96,536
340.1	Computer & Software	679,807.18	35,510.94	0.00	715,318	619,358.86	95,959
341	Transportation Equipment	691,263.86	62,411.03	57,318.26	696,357	682,928.02	13,429
342	Stores Equipment	2,441.14	0.00	0.00	2,441	1,994.69	446
343	Tools, Shop and Garage Equipment	103,018.28	0.00	5,940.00	97,078	47,668.09	49,410
344	Laboratory Equipment	12,000.00	0.00	0.00	12,000	12,000.00	0
345	Power Operated Equipment	139,442.43	12,015.04	0.00	151,457	53,100.53	98,357
346	Communication Equipment	125,776.92	0.00	0.00	125,777	107,829.94	17,947
347	Miscellaneous Equipment	12,938.46	0.00	0.00	12,938	5,128.28	7,810
348	Other Tangible Plant	1,065,651.94	0.00	0.00	1,065,652	1,058,356.37	7,296
	Totals	\$44,679,615	\$1,241,848	\$138,505	\$45,782,957	\$21,051,315	\$24,731,642

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.

Community Water Company of Green Valley
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/17

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	\$47,863	\$0	\$0	\$47,863	0	0.00%	\$0
302	Franchises	244	0	0	244	0	0.00%	0
303	Land and Land Rights	170,589	0	0	170,589	0	0.00%	0
304	Structures and Improvements	171,956	0	0	171,956	0	3.33%	5,726
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	2,013,049	0	0	2,013,049	0	3.33%	67,035
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	3,339,378	126,582	19,822	3,446,137	2,380,100	12.50%	126,582
320	Water Treatment Equipment	4,464,028	420	627	4,463,822	(63,080)	3.33%	150,749
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	2,004,807	24,546	0	2,029,353	0	2.22%	44,779
330.1	Storage Tanks	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	19,383,866	381,749	6,678	19,758,937	0	2.00%	391,428
333	Services	5,323,761	257,020	5,111	5,575,671	0	3.33%	181,476
334	Meters and Meter Installations	2,032,941	276,646	37,009	2,272,579	0	8.33%	179,325
335	Hydrants	2,109,969	56,383	0	2,166,351	0	2.00%	42,763
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	606,268	0	0	606,268	265,520	6.67%	22,728
340	Office Furniture and Equipment	178,555	8,564	6,000	181,119	0	6.67%	11,995
340.1	Computer & Software	679,807	35,511	0	715,318	0	20.00%	139,513
341	Transportation Equipment	691,264	62,411	57,318	696,357	473,325	20.00%	44,097
342	Stores Equipment	2,441	0	0	2,441	0	4.00%	98
343	Tools, Shop and Garage Equipment	103,018	0	5,940	97,078	0	5.00%	5,002
344	Laboratory Equipment	12,000	0	0	12,000	6,500	10.00%	550
345	Power Operated Equipment	139,442	12,015	0	151,457	0	5.00%	7,272
346	Communication Equipment	125,777	0	0	125,777	0	10.00%	12,578
347	Miscellaneous Equipment	12,938	0	0	12,938	0	10.00%	1,294
348	Other Tangible Plant	1,065,652	0	0	1,065,652	437,109	2.47%	15,516
	Subtotal	\$44,679,615	\$1,241,848	\$138,505	\$45,782,957	\$3,499,474		\$1,450,506

Contribution(s) in Aid of Construction (Gross)	\$17,765,131
Less: Non Amortizable Contribution(s)	141,005
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$17,624,125
Times: Proposed Amortization Rate	3.92%
Amortization of CIAC	\$690,866
Less: Amortization of CIAC	\$690,866
DEPRECIATION EXPENSE	\$759,640

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.

Community Water Company of Green Valley
 Annual Report
 Balance Sheet Assets
 12/31/17

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current and Accrued Assets			
131	Cash		\$996,793	\$830,401
134	Working Funds		0	0
135	Temporary Cash Investments		1,961,460	2,573,406
141	Customer Accounts Receivable		387,363	389,740
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		37,668	42,270
162	Prepayments		23,390	25,134
174	Miscellaneous Current and Accrued Assets		340,621	340,621
	Total Current and Accrued Assets		\$3,747,297	\$4,201,572
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$44,679,615	\$45,782,957
103	Property Held for Future Use		0	0
105	Construction Work in Progress		4,188	15,329
108	Accumulated Depreciation (enter as negative)*		(19,713,220)	(21,051,315)
121	Non-Utility Property		710,973	720,394
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$25,681,556	\$25,467,365
	Total Assets		\$29,428,853	\$29,668,937

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 these items feed automatically from AR3 UPIS Page 3

Community Water Company of Green Valley
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
Account No.	Liabilities		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Current Liabilities				
231	Accounts Payable		\$333,790	\$93,037
232	Notes Payable (Current Portion)		98,198	104,001
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		112,783	114,905
237	Accrued Interest		8,249	7,986
242	Miscellaneous Current and Accrued Liabilities		262,091	262,653
	Total Current Liabilities		\$815,111	\$582,582
Long Term Debt				
224	Long Term Debt (Notes and Bonds)		\$2,933,514	\$2,836,933
Deferred Credits				
251	Unamortized Premium on Debt		\$207,585	\$167,657
252	Advances in Aid of Construction		6,823,448	6,967,324
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		17,483,120	17,765,131
272	Less: Amortization of Contributions		(6,768,625)	(7,459,491)
281	Accumulated Deferred Income Tax <i>maintenace reserve</i>		149,100	269,300
	Total Deferred Credits		\$17,894,628	\$17,709,921
	Total Liabilites		\$21,643,253	\$21,129,436
Capital Accounts				
201	Common Stock Issued		\$48,010	\$48,010
211	Other Paid-In Capital		7,737,590	8,491,490
215	Retained Earnings		0	0
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$7,785,600	\$8,539,500
	Total Liabilities and Capital		\$29,428,853	\$29,668,937

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!

Community Water Company of Green Valley
Annual Report
Water Comparative Income Statement
12/31/17

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	Operating Revenue		
461	Metered Water Revenue	\$4,472,251	\$3,919,183
460	Unmetered Water Revenue	12,757	12,047
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	131,995	133,268
	Total Revenues	\$4,617,003	\$4,064,498
	Operating Expenses		
601	Salaries and Wages	\$932,625	\$905,974
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	269,664	229,218
618	Chemicals	34,671	26,242
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	167,304	138,074
620.2	Office Supplies and Expense	15,499	19,002
630	Contractual Services	297,984	309,087
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	6,862	16,798
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	51,598	50,785
657	Insurance - General Liability	60,418	61,209
657.1	Insurance - Health and Life	180,991	195,273
665	Regulatory Commission Expense - Rate	36,000	36,000
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	258,771	246,680
403	Depreciation Expense (From Schedule AR4)	759,640	669,452
408	Taxes Other Than Income	397,542	358,479
408.11	Property Taxes	163,116	162,252
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$3,632,683	\$3,424,524
	Operating Income / (Loss)	\$984,320	\$639,974
	Other Income / (Expense)		
419	Interest and Dividend Income	\$21,923	\$16,915
421	Non-Utility Income	5,028	13,978
426	Miscellaneous Non-Utility (Expense)	(117,144)	(84,645)
427	Interest (Expense)	(182,386)	(188,375)
	Total Other Income / (Expense)	(\$272,579)	(\$242,127)
	Net Income / (Loss)	\$711,741	\$397,847

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.

Community Water Company of Green Valley
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/17

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	11/14/2015	na	na	na
Source of Loan	Compass Bank	na	na	na
ACC Decision No.	74809	na	na	na
Reason for Loan	Refinancing Loan	na	na	na
Dollar Amt. Issued	\$3,234,208	na	na	na
Amount Outstanding	\$2,997,247	na	na	na
Date of Maturity	11/14/2029	na	na	na
Interest Rate	5.68%	na	na	na
Current Year Interest	\$174,292	na	na	na
Current Year Principal	\$98,198	na	na	na

Meter Deposit Balance at Test Year End:	\$22,254
---	----------

Meter Deposits Refunded During the Test Year:	\$0
---	-----

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: Community Water Co. of Green Valley

ADEQ Public Water System Number: 04-10004

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)
55-627485	250	650	837	16	Turbine	1-6 & 1-10	1977	0.1400
55-588121	250	1,000	1,000	16	Turbine	1-8 & 1-12	2002	0.0140
55-207982	400	2,100	1,140	16	Turbine	1-12	2005	0.0140
55-608518	350	2,300	2,786	20	Turbine	1-12	1964	0.0200
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	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

OTHER WATER SOURCES			
Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)	
0	0	0	0
0	0	0	0

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
30 HP @ Res #1	600	1	1
152 HP gas eng	1,100	1	1
100	625	5	5
125	575	5	5

FIRE HYDRANTS	
Type	Quantity
Standard ***	1,037
Other	0

STORAGE TANKS		
Capacity	Material	Quantity
1,000,000	Conc/Steel2	2
2,000,000	Steel	2
300,000	Steel	2

PRESSURE/BLADDER TANKS	
Capacity	Quantity
7,500	1
5,000	2
0	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)			CUSTOMER METERS	
MAINS			Size (inches)	Quantity
Sizes (inches)	Material	Length (feet)		
2	CU & PVC	7,530	5/8 X 3/4	10,128
3	CU & PVC	8,167	3/4	96
4	CA & DI	53,167	1	522
5	CA & DI	0	1 1/2	78
6	CA & DI	315,848	Compound 2	167
8	CA & DI	248,922	Turbine 2	0
10	CA & DI	6,799	Compound 3	16
12	CA & DI	111,984	Turbine 3	0
0	CA & DI	45,450	Compound 4	1
0	0	0	Turbine 5	0
0	0	0	Compound 6	0
0	0	0	Turbine 6	0
0	0	0	6+	0
0	0	0	NA	0
			NA	0
			NA	0
			NA	0

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

TREATMENT EQUIPMENT:	Four (4) Arsenic removal systems
-----------------------------	----------------------------------

STRUCTURES:	Office, Warehouse and Storage Building
--------------------	--

OTHER:	Flat bed trailer, 12 Service trucks, Mini-excavator, 2- Dump bed trailers, Air compressor/ equipment trailer, Welding trailer, Asphalt saw trailer, 2 Backhoes, Valve operating truck
---------------	---

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.

Community Water Company of Green Valley
 Annual Report
 Water Use Data Sheet
 12/31/17

Water Use Data Sheet							
Name of the System:		Community Water Co. of Green Valley					
ADEQ Public Water System Number:		04-10004					
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴	Purchased Power Expense ⁵	Purchased Power (kWh) ⁶
January	13,098	52,187	58,904	0	2,253	\$14,225	218,720
February	13,114	48,858	56,604	0	1,683	15,296	221,928
March	13,114	55,113	66,110	0	1,258	18,350	243,440
April	13,114	65,306	68,962	0	768	21,040	243,780
May	13,114	60,671	70,410	0	917	28,761	282,800
June	13,123	69,329	74,771	0	613	30,510	299,280
July	13,128	70,942	67,600	0	767	21,865	212,860
August	13,138	65,722	65,298	0	498	25,705	251,780
September	13,147	63,515	61,747	0	967	21,616	230,900
October	13,158	63,512	72,698	0	378	18,271	238,460
November	13,161	62,051	64,045	0	276	20,204	264,280
December	13,172	55,897	55,828	0	653	18,698	243,300
	Totals	733,103	782,977	0	11,031	\$254,540	2,951,528

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:
 Hydrant flushing, Arsenic plant maintenance, Service line flushing, Well pump-outs Total gallons 134,762,200

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, 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.
- 5 Enter the total purchased power costs for the power meters associated with this system.
- 6 Enter the total purchased kWh used by the power meters associated with this system.

Community Water Company of Green Valley
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

ADEQ System No. :	04-10004
-------------------	----------

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	79	0
February	0	77	0
March	0	82	0
April	0	32	0
May	0	48	0
June	0	42	0
July	0	51	0
August	0	70	0
September	0	50	0
October	0	54	0
November	0	36	0
December	0	21	0
Total	0	642	0

Other (description):

NA

<p>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.</p>
--

Community Water Company of Green Valley
Annual Report
Property Taxes
12/31/17

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2017 was	\$168,686

If no property taxes paid, explain why. NA

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.

Verification and Sworn Statement (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Pierre Hanhart, Controller
Company name: Community Water Company of Green Valley

RECEIVED
APR 13 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.

Pierre Hanhart
signature of owner/official

520-625-8409
telephone no.

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

THIS 12~~th~~ DAY OF PIMA
April 2018
(month) and (year)

MY COMMISSION EXPIRES 12/3/19
(date)



Maria C Teso
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name):

Pima

Name (owner or official) title:

Pierre Hanhart, Controller

Company name:

Community Water Company of Green Valley

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

RECEIVED

APR 13 2018

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 (\$)

\$4,617,003

(The amount in the box above includes

\$293,169 in sales taxes

billed or collected)

P. Hanhart
signature of owner/official

(520) 625-8409
telephone no.

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

THIS

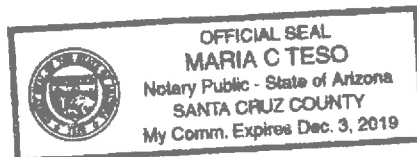
12

DAY OF

PIMA
(county name)
April 2018
(month) and (year)

MY COMMISSION EXPIRES

12/3/19
(date)



Maria C Teso
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

RECEIVED
APR 13 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

County of (county name): Pierre Hanhart, Controller
Name (owner or official) title: 0
Company name: Community Water Company of Green Valley

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:

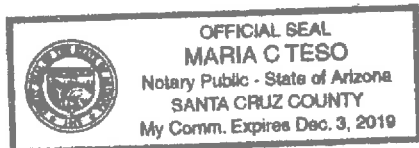
Arizona Intrastate Gross Operating Revenues Only (\$)
\$3,727,252
(The amount in the box above includes
\$236,706 in sales taxes
billed or collected)

P. Hanhart
signature of owner/official
(520) 625-8409
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY PIMA
(county name)

THIS 12th DAY OF April 2018
(month) and (year)

MY COMMISSION EXPIRES 12/3/19
(date)



Maria C Teso
(signature of notary public)