

ANNUAL REPORT

Of

Company Name: Desert Valencia Water, Inc.

~~2419 E. Skipping Rock Way~~ 10858 N. Sand Canyon Pl.

Mailing Address: Tucson AZ
85737

Docket No.: W-20801A
For the Year Ended: 12/31/17

RECEIVED
MAR 30 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: Original Filing
Application Date: 3/23/18

3-30-18

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Desert Valencia Water, Inc.
A Class Utility

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

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:

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	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	6,400	0	0	6,400	0	6,400
304	Structures and Improvements	0	0	0	0	0	0
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	0	0	0	0	0	0
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	2,671	0	0	2,671	2,003	668
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	0	0	0	0	0	0
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	0	0	0	0	0	0
330.2	Pressure Tanks	5,783	0	0	5,783	4,336	1,447
331	Transmission and Distribution Mains	0	0	0	0	0	0
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	28,139	0	0	28,139	5,804	22,335
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	22,442	0	0	22,442	12,720	9,722
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	7,994	0	0	7,994	3,896	4,098
	Totals	\$73,429	\$0	\$0	\$73,429	\$28,759	\$44,670

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.

Desert Valencia Water, Inc.
 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	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,400	0	0	6,400	38,448	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0.00%	0
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	0	0	0	0	0	0.00%	0
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	2,671	0	0	2,671	0	10.00%	267
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
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	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	5,783	0	0	5,783	0	5.00%	578
331	Transmission and Distribution Mains	0	0	0	0	0	0.00%	0
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	28,139	0	0	28,139	0	5.00%	1,407
335	Hydrants	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	22,442	0	0	22,442	0	6.67%	1,497
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	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	7,994	0	0	7,994	0	10.00%	799
	Subtotal	\$73,429	\$0	\$0	\$73,429	\$38,448		\$4,548

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	13.00%
Amortization of CIAC	\$0
Less: Amortization of CIAC	<input type="text" value="\$0"/>
DEPRECIATION EXPENSE	<input type="text" value="\$4,548"/>

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.

Desert Valencia Water, Inc.
 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		\$15,035	\$6,083
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		1,139	2,701
162	Prepayments		3,575	3,575
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$19,749	\$12,359
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$73,429	\$73,429
103	Property Held for Future Use		2,554	2,544
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(24,211)	(28,759)
121	Non-Utility Property		2,278	2,278
122	Accumulated Depreciation - Non Utility		(1,215)	(1,367)
	Total Fixed Assets		\$52,835	\$48,125
	Total Assets		\$72,584	\$60,484

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

Desert Valencia Water, Inc.
 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		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$0	\$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	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		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$0	\$0
	Capital Accounts			
201	Common Stock Issued		\$30,000	\$30,000
211	Other Paid-In Capital		0	0
215	Retained Earnings		42,584	30,484
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$72,584	\$60,484
	Total Liabilities and Capital		\$72,584	\$60,484

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!

Desert Valencia Water, Inc.
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	\$1,989	\$2,047
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	0	0
	Total Revenues	\$1,989	\$2,047
	Operating Expenses		
601	Salaries and Wages	\$6,220	\$4,876
604	Employee Pensions and Benefits	0	0
610	Purchased Water	7,150	7,150
615	Purchased Power	1,207	1,043
618	Chemicals	871	547
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	4,860	356
620.2	Office Supplies and Expense	129	143
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,590	1,380
633	Contractual Services - Legal	523	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	400	470
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	282	74
657	Insurance - General Liability	702	727
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	202	170
403	Depreciation Expense (From Schedule AR4)	4,548	4,549
408	Taxes Other Than Income	206	197
408.11	Property Taxes	99	134
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$28,989	\$21,816
	Operating Income / (Loss)	(\$27,000)	(\$19,769)
	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)	(\$27,000)	(\$19,769)

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.

Desert Valencia Water, Inc.
 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	NONE	NONE	NONE	NONE
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	NONE	NONE	NONE	NONE
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Water Utility Plant Description

Name of the System: Desert Valencia Water, Inc.
 ADEQ Public Water System Number: W-20801A

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)
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000
0	0	0	0	0	0	0	0	0.0000

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Wellton-Mohawk Irrigation Distr	Unknown	5
0	0	0

BOOSTER PUMPS

Horsepower	GPM	Quantity
15	Unknown	1
0	0	0
0	0	0
0	0	0

FIRE HYDRANTS

Type	Quantity
Standard ***	0
Other	0

STORAGE TANKS

Capacity	Material	Quantity
20,000 Gallons	Steel	1
0	0	0
0	0	0

PRESSURE/BLADDER TANKS

Capacity	Quantity
1,000	1
3,000	1
0	0

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)			CUSTOMER METERS	
MAINS			Size (inches)	Quantity
Sizes (inches)	Material	Length (feet)		
2.00	PVC	3,577	5/8 X 3/4	14
6.00	Cement	2,020	0.75	9
NA	NA	0	Turbine 2	2
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0
NA	NA	0	NA	0

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

TREATMENT EQUIPMENT:	Sand Filters, Chlorine Treatment
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STRUCTURES:	Chain link fence around water plant, small frame building
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OTHER:	Contract to furnish M & I water from the Mohawk canal with Wellton-Mohawk Irrigation and Drainage District for 250 Acre feet per year, 6 Acres of Land
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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:		Desert Valencia Water, Inc.					
ADEQ Public Water System Number:		W-20801A					
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	8	106	0	124	15	\$45	208
February	8	93	0	108	14	44	222
March	8	161	0	190	23	63	335
April	8	198	0	251	29	105	582
May	8	375	0	464	38	117	656
June	7	436	0	516	45	136	769
July	7	325	0	447	75	98	542
August	7	345	0	431	79	73	392
September	7	232	0	271	48	90	493
October	7	229	0	320	56	76	290
November	7	219	0	241	17	51	262
December	7	177	0	235	37	45	208
Totals		2,896	0	3,598	476	\$943	4,959

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, 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.

Desert Valencia Water, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

ADEQ System No. :	W-20801A
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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	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):

One customer left after May for the summer, service was shut off temporarily
--

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.

Desert Valencia Water, Inc.
Annual Report
Property Taxes
12/31/17

Property Taxes

Amount of actual property taxes paid during Calendar Year 2017 was

\$99

If no property taxes paid, explain why.

Taxes were paid

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that a no applicable information to report.

Desert Valencia Water, Inc.
Annual Report
Verification and Sworn Statement (Taxes)
12/31/17

Verification and Sworn Statement (Taxes)

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

RECEIVED

County of (county name):
Name (owner or official) title:
Company name:

Pima
Scott Wootton - President
Desert Valencia Water, Inc.

MAR 30 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.

Scott Wootton

signature of owner/official

520-812-7533

telephone no.

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

THIS

23rd

DAY OF

PIMA

(county name)

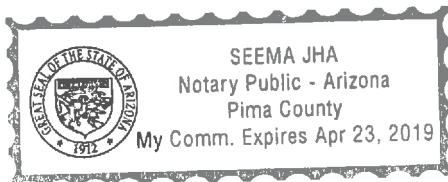
March 2018

(month) and (year)

MY COMMISSION EXPIRES

04/23/2019

(date)



Seema Jha

(signature of notary public)

RECEIVED

MAR 30 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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: Scott Wootton - President

Company name: Desert Valencia Water, Inc.

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/17

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$1,989

(The amount in the box above includes

\$161 in sales taxes

billed or collected)

Scott Wootton

signature of owner/official

0

telephone no.

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

THIS

23rd

DAY OF

PIMA

(county name)

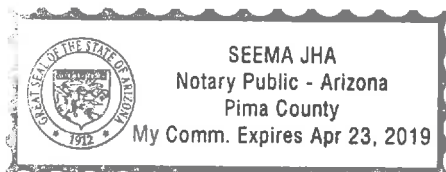
March 2018

(month) and (year)

MY COMMISSION EXPIRES

04/23/2019

(date)



Seema Jha

(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Scott Wootton - President

Name (owner or official) title: 0

Company name: Desert Valencia Water, Inc.

RECEIVED

MAR 30 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/17

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$1,989

(The amount in the box above includes

\$161 in sales taxes
billed or collected)

Scott Wootton

signature of owner/official

0

telephone no.

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

PIMA

(county name)

THIS

23rd

DAY OF

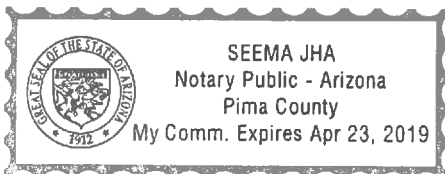
March 2018

(month) and (year)

MY COMMISSION EXPIRES

4/23/2019

(date)



[Signature]

(signature of notary public)