

ANNUAL REPORT

Of

Company Name: Global Water-Santa Cruz Water Company

c/o Global Water Resources, Inc.

Mailing Address: 21410 N. 19th Ave., Ste. 220
Phoenix AZ
85027

Docket No.: W-20446A

For the Year Ended: 12/31/17



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:

04/15/2018

4-16-18

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Global Water-Santa Cruz 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:

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)
		\$0	\$0	\$0	\$0	\$0	\$0
301	Organization	0	0	0	0	0	0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	71,205	96,956	0	168,161	0	168,161
304	Structures and Improvements	9,594,450	40,843	0	9,635,293	3,411,992	6,223,301
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	1,855	0	0	1,855	0	1,855
307	Wells and Springs	4,612,530	96,149	33,773	4,674,906	1,564,687	3,110,219
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	2,457,818	0	0	2,457,818	574,762	1,883,056
310	Power Generation Equipment	333,312	1,366	0	334,678	225,820	108,858
311	Pumping Equipment	6,959,389	24,583	42,250	6,941,722	6,791,511	150,211
320	Water Treatment Equipment	53,292	0	1,010	52,282	8,373	43,909
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	41,581	4,555	0	46,136	38,293	7,843
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	920,162	0	0	920,162	292,296	627,866
330.2	Pressure Tanks	557,972	0	0	557,972	332,712	225,260
331	Transmission and Distribution Mains	46,600,215	913,514	0	47,513,729	10,141,076	37,372,653
333	Services	4,850,776	0	0	4,850,776	1,716,529	3,134,247
334	Meters and Meter Installations	4,335,103	11,441,668	3,524,177	12,252,593	681,858	11,570,735
335	Hydrants	4,556,477	20,599	0	4,577,076	989,916	3,587,160
336	Backflow Prevention Devices	21,487	8,437	0	29,924	12,697	17,227
339	Other Plant and Misc. Equipment	282,591	10,811	10,763	282,640	142,696	139,944
340	Office Furniture and Equipment	477,216	0	12,412	464,804	333,196	131,608
340.1	Computer & Software	283,465	24,530	189,731	118,263	93,827	24,436
341	Transportation Equipment	979,215	88,426	110,547	957,095	680,609	276,485
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	90,842	0	0	90,842	44,118	46,724
344	Laboratory Equipment	210,028	0	1,354	208,674	118,034	90,640
345	Power Operated Equipment	168,835	(1,995)	1,879	164,961	57,512	107,450
346	Communication Equipment	623,930	0	22,209	601,721	578,574	23,148
347	Miscellaneous Equipment	115,434	5,886	0	121,320	85,614	35,707
348	Other Tangible Plant	5,168,711	0	5,000	5,163,711	4,974,346	189,365
	Totals	\$94,367,892	\$12,776,327	\$3,955,103	\$103,189,116	\$33,891,049	\$69,298,068

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.

Global Water-Santa Cruz Water Company
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	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	71,205	96,956	0	168,161	71,205	96,956	0.00%	0
304	Structures and Improvements	9,594,450	40,843	0	9,635,293	0	9,635,293	3.33%	320,496
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	1,855	0	0	1,855	1,855	0	0.00%	0
307	Wells and Springs	4,612,530	96,149	33,773	4,674,906	0	4,674,906	3.32%	155,273
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	2,457,818	0	0	2,457,818	0	2,457,818	2.00%	49,156
310	Power Generation Equipment	333,312	1,366	0	334,678	0	334,678	6.64%	22,218
311	Pumping Equipment	6,959,389	24,583	42,250	6,941,722	6,331,577	610,146	10.26%	62,591
320	Water Treatment Equipment	53,292	0	1,010	52,282	0	52,282	3.37%	1,760
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	41,581	4,555	0	46,136	14,541	31,595	16.14%	5,098
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	920,162	0	0	920,162	0	920,162	2.23%	20,550
330.2	Pressure Tanks	557,972	0	0	557,972	0	557,972	5.00%	27,899
331	Transmission and Distribution Mains	46,600,215	913,514	0	47,513,729	0	47,513,729	1.98%	942,299
333	Services	4,850,776	0	0	4,850,776	0	4,850,776	3.33%	161,693
334	Meters and Meter Installations	4,335,103	11,441,668	3,524,177	12,252,593	625,814	11,626,779	6.41%	745,397
335	Hydrants	4,556,477	20,599	0	4,577,076	0	4,577,076	2.00%	91,335
336	Backflow Prevention Devices	21,487	8,437	0	29,924	0	29,924	5.31%	1,588
339	Other Plant and Misc. Equipment	282,591	10,811	10,763	282,640	10,763	271,877	6.80%	18,482
340	Office Furniture and Equipment	477,216	0	12,412	464,804	44,057	420,746	6.76%	28,435
340.1	Computer & Software	283,465	24,530	189,731	118,263	262,874	(144,611)	-6.55%	9,478
340.1	Computer & Software - Allocated from Corporate								77,425
341	Transportation Equipment	979,215	88,426	110,547	957,095	508,558	448,536	22.93%	102,850
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	90,842	0	0	90,842	0	90,842	5.00%	4,542
344	Laboratory Equipment	210,028	0	1,354	208,674	5,964	202,710	7.42%	15,034
345	Power Operated Equipment	168,835	(1,995)	1,879	164,961	0	164,961	4.99%	8,235
346	Communication Equipment	623,930	0	22,209	601,721	207,833	393,889	6.75%	26,602
347	Miscellaneous Equipment	115,434	5,886	0	121,320	311	121,009	9.76%	11,807
348	Other Tangible Plant	5,168,711	0	5,000	5,163,711	1,178,358	3,985,353	7.11%	283,555
	Subtotal	\$94,367,892	\$12,776,327	\$3,955,103	\$103,189,116	\$9,263,710	\$93,925,406		\$3,193,797

Contribution(s) in Aid of Construction (Gross)	\$1,620,760
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,620,760
Times: Proposed Amortization Rate	3.94%
Amortization of CIAC	\$63,797

Less: Amortization of CIAC

DEPRECIATION EXPENSE

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

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current and Accrued Assets			
131	Cash		\$2,000	\$2,000
132	Special Deposits		\$0	\$0
133	Other Special Deposits		\$0	\$10
134	Working Funds		\$0	\$0
135	Temporary Cash Investments		\$0	\$0
141	Customer Accounts Receivable		\$734,475	\$788,055
142	Other Accounts Receivable		\$0	(\$890)
143	Accumulated Provision for Uncollectable Accounts		(\$28,075)	(\$78,764)
146	Notes Receivable from Associated Companies		(\$162,028)	(\$137,025)
151	Plant Material and Supplies		\$0	\$0
162	Prepayments		\$4,023	\$11,374
173	Accrued Utility Revenue		\$656,640	\$713,043
174	Miscellaneous Current and Accrued Assets		\$0	\$0
	Total Current and Accrued Assets		\$1,207,035	\$1,297,803
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$53,763	\$1,680,430
190	Accumulated Deferred Income Taxes		\$3,533,642	\$1,170,083
	Total Deferred Debits		\$3,587,405	\$2,850,514
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$94,367,892	\$103,189,116
103	Property Held for Future Use		\$0	\$0
105	Construction Work in Progress		\$28,853,123	\$26,040,620
108	Accumulated Depreciation (enter as negative)*		(\$34,632,103)	(33,891,049)
121	Non-Utility Property		\$0	\$0
122	Accumulated Depreciation - Non Utility		\$0	\$0
	Total Fixed Assets		\$88,588,913	\$95,338,688
	Other Fixed Assets			
114	Utility Plant Acquisition Adjustments		\$1,532,458	\$1,532,458
	Total Other Fixed Assets		\$1,532,458	\$1,532,458
	Total Assets		\$94,915,811	\$101,019,463

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

Global Water-Santa Cruz Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current Liabilities			
231	Accounts Payable		\$766,726	\$36,055
232	Notes Payable (Current Portion)		\$0	\$0
234	Notes Payable to Associated Companies		\$0	\$0
235	Customer Deposits		\$733,348	\$688,948
236	Accrued Taxes		\$496,716	\$532,605
237	Accrued Interest		\$130,810	\$123,546
242	Miscellaneous Current and Accrued Liabilities		\$384,510	\$1,242,632
	Total Current Liabilities		\$2,512,109	\$2,623,785
	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		\$33,259,431	\$33,921,869
253	Other Deferred Credits		\$0	\$10
255	Accumulated Deferred Investment Tax Credits		\$0	\$0
271	Contributions in Aid of Construction		\$1,620,760	\$1,620,760
272	Less: Amortization of Contributions		(\$163,792)	(\$227,589)
281	Accumulated Deferred Income Tax		\$0	\$0
	Total Deferred Credits		\$34,716,398	\$35,315,049
	Total Liabilities		\$37,228,507	\$37,938,834
	Capital Accounts			
201	Common Stock Issued		\$10	\$10
211	Other Paid-In Capital		\$33,666,953	\$36,749,229
215	Retained Earnings		\$24,020,341	\$26,331,389
218	Proprietary Capital (Sole Props and Partnerships)		\$0	\$0
	Total Capital		\$57,687,303	\$63,080,628
	Total Liabilities and Capital		\$94,915,811	\$101,019,463

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!

Global Water-Santa Cruz Water Company
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	\$13,151,690	\$12,579,007
460	Unmetered Water Revenue	\$210,394	\$192,333
462	Fire Protection Revenue	\$0	\$0
469	Guaranteed Revenues (Surcharges)	\$0	\$0
471	Miscellaneous Service Revenues	\$0	\$0
474	Other Water Revenue	\$422,341	\$335,802
	Total Revenues	\$13,784,425	\$13,107,142
	Operating Expenses		
601	Salaries and Wages	\$2,272,891	\$2,441,951
604	Employee Pensions and Benefits	\$260,789	\$228,712
610	Purchased Water	\$3,981	\$3,410
615	Purchased Power	\$825,078	\$811,085
616	Fuel for Power Production	\$0	\$0
618	Chemicals	\$68,137	\$65,916
620	Materials and Supplies	\$14,125	\$21,542
620.1	Repairs and Maintenance	\$47,345	\$36,457
620.2	Office Supplies and Expense	\$111,274	\$167,629
630	Contractual Services	\$0	\$0
631	Contractual Services -Engineering	\$0	\$0
632	Contractual Services - Accounting	\$316,782	\$319,569
633	Contractual Services - Legal	\$186,895	\$203,645
634	Contractual Services - Management Fees	\$635,318	\$956,143
635	Contractual Services - Water Testing	\$17,351	\$17,479
636	Contractual Services - Other	\$212,953	\$209,028
640	Rents	\$0	\$0
641	Rental of Building/Real Property	\$48,837	\$44,799
642	Rental of Equipment	\$21,789	\$12,784
650	Transportation Expenses	\$62,366	\$66,569
656	Insurance - Vehicles	\$203	\$1,288
657	Insurance - General Liability	\$196,272	\$183,266
657.1	Insurance - Health and Life	\$0	\$0
658	Insurance - Worker's Comp	\$37,577	\$26,764
660	Advertising	\$17,958	\$11,661
665	Regulatory Commission Expense - Rate	\$53,763	\$53,762
667	Regulatory Commission Expense - Other	\$62,060	\$44,633
670	Bad Expense	\$58,643	\$26,251
675	Miscellaneous Expense	\$1,033,119	\$1,275,415
403	Depreciation Expense (From Schedule AR4)	3,130,000	\$2,718,806
408	Taxes Other Than Income	\$103,827	\$8,940
408.11	Property Taxes	\$876,555	\$810,536
408.12	Payroll Taxes	\$133,290	\$128,221
408.13	Other Taxes and Licenses	\$0	\$0
409	Income Taxes	\$582,841	\$802,502
	Total Operating Expenses	\$11,392,021	\$11,698,765
	Operating Income / (Loss)	\$2,392,403	\$1,408,377
	Other Income / (Expense)		
414	Gain/Loss on Dispositions	\$4,991	\$2,554
419	Interest and Dividend Income	\$4	\$62
421	Non-Utility Income	\$2,500	\$21,102
426	Miscellaneous Non-Utility (Expense)	(\$358)	\$0
427	Interest (Expense)	(\$88,492)	(\$98,819)
	Total Other Income / (Expense)	(\$81,355)	(\$75,101)
	Net Income / (Loss)	\$2,311,049	\$1,333,275

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.

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	\$76,890
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Meter Deposits Refunded During the Test Year:	\$7,835
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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: Santa Cruz Water Company - North
 ADEQ Public Water System Number: AZ-04-11-131

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)
55-202407	0	0	790	20	0	0	2005	NA
55-509941	200	1,500	1,100	16	Turbine	12	1985	NA
55-609593	0	0	954	20	0	0	1958	NA
55-612737	100	1,070	1,000	20	Turbine	8	1972	NA
55-617338	250	1,965	300	20	Turbine	10	1973	NA
55-621406	400	2,000	1,000	12	Turbine	12	1955	0.0082
55-621407	250	1,980	700	12	Turbine	12	1955	0.0064
55-624108	0	0	1,000	12	0	0	1955	NA
55-621410	100	1,000	400	20	Turbine	10	1955	NA
55-622132	100	1,400	600	20	Turbine	4	1976	NA
55-624029	0	0	0	20	0	0	1960	NA
55-624031	0	0	1,430	18	0	0	1976	NA
55-624037	200	1,650	1,992	18	Turbine	8	1965	NA
55-801069	200	1,280	600	12	Turbine	10	1957	NA
55-220627	300	1,800	990	20	Turbine	12	2011	0.0062
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

FIRE HYDRANTS	
Type	Quantity
Standard ***	2,253
Other	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
40	600	4
50	500	5
75	1,000	5
150	2,500	1
150	2,200	4
200	4,000	1
0	0	0
0	0	0
0	0	0
0	0	0

PRESSURE/BLADDER TANKS	
Capacity	Quantity
10,000	5
0	0
0	0
0	0

STORAGE TANKS		
Capacity	Material	Quantity
1,500,000	Steel	2
2,500,000	Steel	1
500,000	Steel	2
0	0	0

Water Utility Plant Description (Continued)

MAINS		
Sizes (inches)	Material	Length (feet)
2	Copper	82
3	0	0
4	Ductile Iron	93
5	Ductile Iron	0
6	Ductile Iron	618
8	Ductile Iron	102,710
10	Ductile Iron	10
12	Ductile Iron	36,601
16	Ductile Iron	35,869
18	Ductile Iron	22
20	Ductile Iron	80
24	Ductile Iron	3,446
30	Ductile Iron	198
36	Ductile Iron	210
2	PVC	248
3	PVC	410
6	PVC	37,299
8	PVC	785,549
10	PVC	8,871
12	PVC	162,200
16	PVC	118,711
20	PVC	19,275
24	PVC	9
12	PVC CL150	112
6	PVC CL200	46
8	PVC CL200	10,146
10	PVC CL200	2,609
12	PVC CL200	10,333
0	0	0
0	0	0

MAINS		
Sizes (inches)	Material	Length (feet)
6	Steel	91
8	Steel	17
12	Steel	273
16	Steel	113
30	Steel	24
Unknown	Unknown	12,191
2	Unknown	497
6	Unknown	67
8	Unknown	1,247
10	Unknown	16
12	Unknown	109
16	Unknown	638
18	Unknown	74
24	Unknown	2,537
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

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	555
3/4	18,738
1	69
1 1/2	70
Compound 2	12
Turbine 2	184
Compound 3	2
Turbine 3	6
Compound 4	2
Turbine 5	0
Compound 6	0
Turbine 6	0
6+	0

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

TREATMENT EQUIPMENT:	Chlorine Injection System at Rancho El Dorado WDC and Rancho Mirage WDC
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STRUCTURES:	SCADA Communications System; Video Monitoring System; Neptune Fixed Network AMI; Trailer Mounted Emergency Generator; Switchgear for Distribution Systems and Well Sites; 1 x 600 kW Generator; 1 x Chevy Trailblzer; 1 x Ford Explorer; 2 x Chevy Silverado; 3 x Silverado Utility Vehicles; 2 x Ford F-350 Utility Vehicles; 1 x Ford Fusion; 2 x Ford F-150; 9 x Toyota Tacoma; 1 x Nissan NV200; 1 x Chevy Equinox; 1 x Valve Exercising Machine; 1 x 20" Utility Trailer, 1 x 1250 KVA Generator; 1 x 950 KVA Generator; 1 x Case Backhoe; 1 x Caterpillar Backhoe; 1 x Ford Dump Truck; 1 x Mobile Light Cart; 1 x Toyota Forklift; 1 x Jacobs Fuel Trailer; 1 x Welding Trailer; 1 x Big Tex Dump Trailer
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OTHER:	None
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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 Utility Plant Description

Name of the System: Santa Cruz Water Company - Southwest
 ADEQ Public Water System Number: NA

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)
55-612249	0	0	1,000	20	NA	0	1971	NA
55-612250	0	0	1,200	16	NA	0	1978	NA
55-612416	350	2,100	904	18	Turbine	10	1957	NA
55-625626	0	0	933	20	NA	0	1969	NA
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
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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

FIRE HYDRANTS	
Type	Quantity
Standard ***	0
Other	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
150	2,500	1
25	300	1
75	1,000	1
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0

PRESSURE/BLADDER TANKS	
Capacity	Quantity
10,000	1
0	0
0	0
0	0

STORAGE TANKS		
Capacity	Material	Quantity
2,500,000	Steel	1
0	0	0
0	0	0
0	0	0

Water Utility Plant Description (Continued)

MAINS		
Sizes (inches)	Material	Length (feet)
16	Ductile Iron	99
20	Ductile Iron	13,047
24	Ductile Iron	16,477
30	Ductile Iron	6,562
12	PVC	98
16	PVC	22,383
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
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0	0	0

MAINS		
Sizes (inches)	Material	Length (feet)
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
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CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	0
3/4	0
1	0
1 1/2	0
Compound 2	0
Turbine 2	0
Compound 3	0
Turbine 3	0
Compound 4	0
Turbine 5	0
Compound 6	0
Turbine 6	0
6+	0

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

TREATMENT EQUIPMENT:	Chlorination Injection System at Terrazo WDC
-----------------------------	--

STRUCTURES:	Masonry Brick Walls at Amarillo Creek Well and Terrazo WDC); Block building for control equipment at Terrazo WDC
--------------------	--

OTHER:	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. Copy and paste this sheet as many times as is necessary.

Water Utility Plant Description

Name of the System: CP Water
 ADEQ Public Water System Number: AZ-04-11-151

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
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
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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)
Arizona Water Interconnect	125	1,239
0	0	0

FIRE HYDRANTS	
Type	Quantity
Standard ***	0
Other	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
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

PRESSURE/BLADDER TANKS	
Capacity	Quantity
0	0
0	0
0	0
0	0

STORAGE TANKS		
Capacity	Material	Quantity
0	0	0
0	0	0
0	0	0
0	0	0

Water Utility Plant Description (Continued)

MAINS		
Sizes (inches)	Material	Length (feet)
2	PVC	12,274
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
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MAINS		
Sizes (inches)	Material	Length (feet)
0	0	0
0	0	0
0	0	0
0	0	0
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0	0	0
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CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	15
3/4	0
1	0
1 1/2	0
Compound 2	0
Turbine 2	0
Compound 3	0
Turbine 3	0
Compound 4	0
Turbine 5	0
Compound 6	0
Turbine 6	0
6+	0

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

TREATMENT EQUIPMENT:	Chlorination Injection System at Terrazo WDC
-----------------------------	--

STRUCTURES:	Masonry Brick Walls at Amarillo Creek Well and Terrazo WDC); Block building for control equipment at Terrazo WDC
--------------------	--

OTHER:	Backflow at interconnect with Arizona Water Company
---------------	---

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Water Use Data Sheet							
Name of the System:		Santa Cruz Water Company - North					
ADEQ Public Water System Number:		AZ-04-11-131					
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	18,623	112,215	131,905	0	50.8	\$53,752	480,561
February	18,669	109,611	126,266	0	2391.8	\$46,712	406,084
March	18,733	121,173	163,518	0	76	\$49,671	415,503
April	18,790	172,227	200,667	0	33.8	\$69,611	615,299
May	18,880	197,365	243,262	0	241.715	\$70,081	612,164
June	18,931	255,534	291,822	0	61	\$80,102	725,348
July	19,020	258,403	271,475	0	74	\$91,346	835,329
August	19,053	225,476	242,649	0	200.4	\$76,749	688,514
September	19,133	207,351	214,594	0	566.3	\$84,495	763,593
October	19,226	212,565	229,104	0	873	\$68,106	582,742
November	19,290	180,572	180,924	0	972.69	\$72,689	626,334
December	19,363	147,668	149,120	0	513.4	\$57,157	510,822
Totals		2,200,159	2,445,306	0	6,055	\$820,470	7,262,293

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:
 Fire Hydrant Flushing = 2,976,300; Fire Department Usage = 368,700; Facility Maintenance = 22,400; Tank Cleaning Maintenance = 2,630,000; Water Quality Sampling = 57,600 NOTE: PURCHASED POWER EXPENSE ABOVE DOES NOT MATCH THE PURCHASED POWER ON THE INCOME STATEMENT IN TAB AR6 BECAUSE THE PURCHASED POWER ABOVE IS ACTUAL BILLED, AND THE BILLING PERIOD DOES NOT ALIGN WITH THE CALENDAR MONTH. PURCHASED POWER ON THE INCOME STATEMENT IS ACCRUED FOR THE CALENDAR MONTH.

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.
- 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.

Water Use Data Sheet							
Name of the System:		Santa Cruz Water Company - North					
ADEQ Public Water System Number:		AZ-04-11-131					
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	0	-	0	0	0	\$0	0
February	0	-	0	0	0	\$0	0
March	0	-	0	0	0	\$0	0
April	0	-	0	0	0	\$0	0
May	0	-	0	0	0	\$0	0
June	0	-	0	0	0	\$0	0
July	0	-	0	0	0	\$0	0
August	0	-	0	0	0	\$0	0
September	0	-	0	0	0	\$0	0
October	0	-	0	0	0	\$0	0
November	0	-	0	0	0	\$0	0
December	0	-	0	0	0	\$0	0
Totals		0	0	0	0	\$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 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.

Water Use Data Sheet							
Name of the System:		Santa Cruz Water Company - North					
ADEQ Public Water System Number:		AZ-04-11-131					
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	12	55	0	60.8	0	\$0	0
February	12	52	0	51.1	0	0	0
March	12	61	0	78.5	0	0	0
April	12	69	0	97.5	0	0	0
May	12	82	0	119.4	0	0	0
June	12	95	0	172.3	0	0	0
July	12	142	0	103.7	0	0	0
August	12	99	0	103.8	0	0	0
September	11	72	0	113	0	0	0
October	11	106	0	186.5	0	0	0
November	11	92	0	68.6	0	0	0
December	12	77	0	83.8	0	0	0
Totals		1,001	0	1,239	3	\$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:
 Flushing for Water Quality Samples = 3,000; Illegal tap discovered in early 2018 likely causing increased water loss within system

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.
- 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.

Global Water-Santa Cruz Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

ADEQ System No. :	AZ-04-11-131
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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	529	0
February	0	289	0
March	0	312	0
April	0	354	0
May	0	264	0
June	0	453	0
July	0	434	0
August	0	283	0
September	0	379	0
October	0	322	0
November	0	333	0
December	0	184	0
Total	0	4,136	0

Other (description):

There were no disconnects in the CP Water system
--

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.

Property Taxes

Amount of actual property taxes paid during Calendar Year 2017 was	\$843,064
--	-----------

If no property taxes paid, explain why.

N/A

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 Statement (Taxes)

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): Pinal
Name (owner or official) title: Jon Corwin, General Manager
Company name: Global Water-Santa Cruz Water Company

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

FOR THE YEAR ENDING: 12/31/17

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.

Jon Corwin
signature of owner/official

520-265-1947
telephone no.

SUBSCRIBED AND SWORN TO
IN AND FOR THE COUNTY

TO BEFORE ME A NOTARY PUBLIC
Kris Jesberger
Notary Public State of Arizona
Maricopa County
My Commission Expires
January 9, 2021

(county name)

THIS

(month) and (year)

MY COMMISSION EXPIRES

(date)

Kris Jesberger
(signature of notary public)

Verification and Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Pinal
Name (owner or official) title: Jon Corwin, General Manager
Company name: Global Water-Santa Cruz Water Company

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.

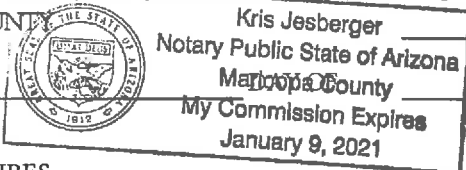
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$14,972,397
(The amount in the box above includes
\$1,197,747 in sales taxes
billed or collected)

Jon Corwin
signature of owner/official
520-265-1947
telephone no.

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

THIS


Kris Jesberger
Notary Public State of Arizona
Maricopa County
My Commission Expires
January 9, 2021

(county name)
month) and (year)

MY COMMISSION EXPIRES

(date)

Kris Jesberger
(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

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

County of (county name): Pinal
Name (owner or official) title: Jon Corwin, General Manager
Company name: Global Water-Santa Cruz Water Company

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: 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 (\$)
\$11,248,863
(The amount in the box above includes
\$899,875 in sales taxes
billed or collected)

[Signature]
signature of owner/official

520-265-1947
telephone no.

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

Kris Jesberger (county name)
Notary Public State of Arizona
Maricopa County
My Commission Expires
January 9, 2021 (month) and (year)

THIS

MY COMMISSION EXPIRES

(date)

[Signature]
(signature of notary public)