ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02237A
Orange Grove Water Company
PO Box 889
Yuma, AZ 85366

RECEIVED
MAR 28 2008
AZ CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007

SEE ACCOUNTANT'S COMPILATION REPORT

FOR COMMISSION USE

ANN 04	07

PROCESSED BY:
3-31-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) ORANGE GROVE WATER COMPANY, INC

Mailing Address P O Box 889
(Street)

Yuma (City) Az (State) 85366-0889 (Zip)

928-726-8272 Telephone No. (Include Area Code) N/A Fax No. (Include Area Code) N/A Cell No. (Include Area Code)

Email Address N/A

Local Office Mailing Address P O Box 889
(Street)

Yuma (City) Az (State) 85366-0889 (Zip)

928-726-8272 Local Office Telephone No. (Include Area Code) N/A Fax No. (Include Area Code) N/A Cell No. (Include Area Code)

Email Address N/A

MANAGEMENT INFORMATION

Management Contact: KATHLEEN M DAY (Name) PRESIDENT (Title)

P O Box 889 (Street) Yuma (City) Az (State) 85366-0889 (Zip)

928-726-8272 Telephone No. (Include Area Code) N/A Fax No. (Include Area Code) N/A Cell No. (Include Area Code)

Email Address N/A

On Site Manager: KATHLEEN M DAY
(Name)

P O Box 889 (Street) Yuma (City) Az (State) 85366-0889 (Zip)

928.726-8272 Telephone No. (Include Area Code) N/A Fax No. (Include Area Code) N/A Cell No. (Include Area Code)

Email Address N/A

SEE ACCOUNTANT'S COMPILATION REPORT

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

Statutory Agent: GLENN J GIMBUT
(Name)

1206 SOUTH 41ST AVENUE (Street) YUMA (City) AZ (State) 85364 (Zip)

928-627-2027 Telephone No. (Include Area Code) N/A Fax No. (Include Area Code) N/A Cell No. (Include Area Code)

Attorney: GLENN J GIMBUT
(Name)

1206 SOUTH 41ST AVENUE (Street) YUMA (City) AZ (State) 85364 (Zip)

928-627-2027 Telephone No. (Include Area Code) N/A Fax No. (Include Area Code) N/A Cell No. (Include Area Code)

Email Address N/A

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☒ **C Corporation (C) (Other than Association/Co-op)**
- ☐ **Partnership (P)**
- ☐ **Subchapter S Corporation (Z)**
- ☐ **Bankruptcy (B)**
- ☐ **Association/Co-op (A)**
- ☐ **Receivership (R)**
- ☐ **Limited Liability Company**
- ☐ **Other** (Describe)_____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE	☐ COCHISE	☐ COCONINO
☐ GILA	☐ GRAHAM	☐ GREENLEE
☐ LA PAZ	☐ MARICOPA	☐ MOHAVE
☐ NAVAJO	☐ PIMA	☐ PINAL
☐ SANTA CRUZ	☐ YAVAPAI	☒ YUMA
☐ STATEWIDE		

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME	ORANGE GROVE WATER COMPANY INC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	—		
302	Franchises	—		
303	Land and Land Rights	3739	—	3739
304	Structures and Improvements	30000	21500	8500
307	Wells and Springs	11699	11699	—
311	Pumping Equipment	23225	12036	11189
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	3504	3504	—
331	Transmission and Distribution Mains	138530	135152	3378
333	Services	11264	11264	—
334	Meters and Meter Installations	5076	5076	—
335	Hydrants	8906	6448	2458
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	15775	12248	3527
341	Transportation Equipment	7958	1635	6323
343	Tools, Shop and Garage Equipment	1200	155	1045
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	TOTALS	260876	220717	40159

This amount goes on the Balance Sheet Acct. No. 108

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME ORANGE GROVE WATER COMPANY INC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	—		
302	Franchises	—		
303	Land and Land Rights	3739	—	—
304	Structures and Improvements	30000	5 %	1500
307	Wells and Springs	11699	5 %	—
311	Pumping Equipment	23225	5 %	345
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	3504	5 %	—
331	Transmission and Distribution Mains	138530	5 %	701
333	Services	11264	5 %	—
334	Meters and Meter Installations	5076	5 %	—
335	Hydrants	8906	5 %	142
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	15775	5 %	789
341	Transportation Equipment	7958	5 %	398
343	Tools, Shop and Garage Equipment	1200	5 %	60
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	TOTALS	260876		3935

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403.

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME ORANGE GROVE WATER COMPANY INC

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 2778	$ 983
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	5108	—
	TOTAL CURRENT AND ACCRUED ASSETS	$ 7886	$ 983
	FIXED ASSETS		
101	Utility Plant in Service	$ 254160	$ 260876
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	216782	220717
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ 37378	$ 40159
	TOTAL ASSETS	$ 45264	$ 41142

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME ORANGE GROVE WATER COMPANY INC

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$	$
232	Notes Payable (Current Portion)		2 800
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	2092	1881
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	6154	13516
	TOTAL CURRENT LIABILITIES	$ 8246	$ 18197
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$ —	$ —
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	$	$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	52188	52188
272	Less: Amortization of Contributions	36528	41748
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	$ 15660	$ 10440
	TOTAL LIABILITIES	$ 23906	$ 28637
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$ 4070	$ 4070
211	Paid in Capital in Excess of Par Value	1934	1934
215	Retained Earnings	15354	6501
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	$ 21358	$ 12505
	TOTAL LIABILITIES AND CAPITAL	$ 45264	$ 41142

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME ORANGE GROVE WATER COMPANY INC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 92543	$ 89896
460	Unmetered Water Revenue	-	-
474	Other Water Revenues	-	-
	TOTAL REVENUES	$ 92543	$ 89896
	OPERATING EXPENSES		
601	Salaries and Wages	$ 45565	$ 42424
610	Purchased Water	-	-
615	Purchased Power	-	-
618	Chemicals	-	-
620	Repairs and Maintenance	18216	7663
621	Office Supplies and Expense	20747	21932
630	Outside Services	290	1625
635	Water Testing	3166	2522
641	Rents	-	-
650	Transportation Expenses	1196	1894
657	Insurance – General Liability	6078	6202
659	Insurance - Health and Life	5005	6245
666	Regulatory Commission Expense – Rate Case	-	-
675	Miscellaneous Expense	-	-
403	Depreciation Expense	3939	3935
408	Taxes Other Than Income	3785	4378
408.11	Property Taxes	7856	9007
409	Income Tax	50	50
	TOTAL OPERATING EXPENSES	$ 115893	$ 107877
	OPERATING INCOME/(LOSS)	$ (23350)	$ (17981)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	$ 11	$ 78 +
421	Non-Utility Income	8518	9120 +
426	Miscellaneous Non-Utility Expenses	-	-
427	Interest Expense	-	70 -
	TOTAL OTHER INCOME/(EXPENSE)	$ 8529	$ 9128
	NET INCOME/(LOSS)	$ (14821)	$ (8853)

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME ORANGE GROVE WATER COMPANY INC

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	$	$	$	$
Amount Outstanding	$	$	$	$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	$	$	$	$
Current Year Principle	$	$	$	$

Meter Deposit Balance at Test Year End $ NONE

Meter Deposits Refunded During the Test Year $ NONE

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME	ORANGE GROVE WATER COMPANY INC
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
14366	20	30	270	8"		
14366	7½	30	200	6"		

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
		10	–

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
2000	1	5000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME	ORANGE GROVE WATER COMPANY INC
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	CAST IRON	10097
8	CAST IRON	4097
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	
3/4	300
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

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

TREATMENT EQUIPMENT: N/A

STRUCTURES: N/A

OTHER: N/A

Note: If you are filing for more than one system, please provide separate sheets for each system.

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME: ORANGE GROVE WATER COMPANY INC	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	313	2478	2478	-
FEBRUARY	312	2682	2682	—
MARCH	310	2357	2357	—
APRIL	307	2799	2799	—
MAY	312	2989	2989	—
JUNE	313	3045	3045	—
JULY	312	3376	3376	—
AUGUST	312	3249	3249	—
SEPTEMBER	309	2777	2777	—
OCTOBER	310	2849	2849	—
NOVEMBER	308	2426	2426	—
DECEMBER	311	2121	2121	—
	TOTALS →	33148	33148	—

What is the level of arsenic for each well on your system? .0040 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
( ) Yes ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes (X) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME ORANGE GROVE WATER COMPANY INC YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: $ 9007

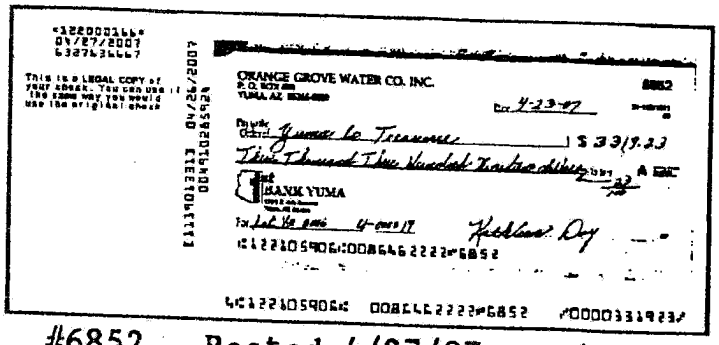
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

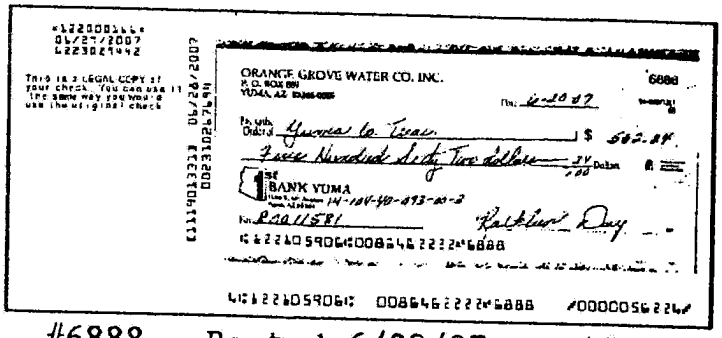
RECEIPTS ATTACHED

	3319.23
	562.24
	2604.75
	3196.29
	120.36
	9802.87
LESS REFUNDS FOR CORRECTED PRIOR TAX BILLS	
RECEIPT ATTACHED	(609.65)
NO RECEIPT	(186.14)
	9007.08

SEE ACCOUNTANT'S COMPILATION REPORT



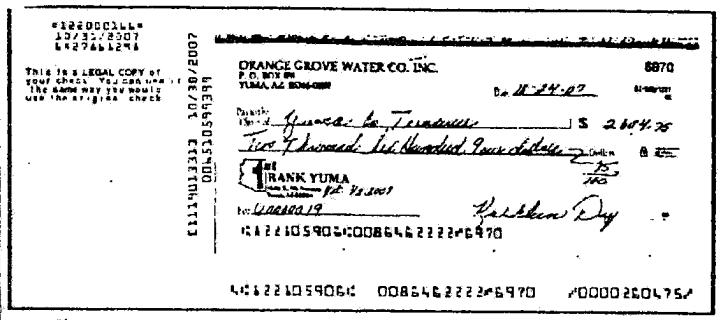
#6852 Posted 4/27/07 $3,319.23



#6888 Posted 6/29/07 $562.24

3,319.23*+
562.24 +
2,604.75 +
3,196.29 +
120.36 +

9,802.87 *



#6970 Posted 10/31/07 $2,604.75

07/26/07	YUMA COUNTY AZ TAX YUMA GOVT. SVCS. NOT ELSEWHE GOVT. SVCS. NOT ELSEWHERE CLASSIFIED ROC No. 0000311243 EXTENDED PAYMENT OPTION	AZ	3,196.29
07/26/07	GOVT PYMT SERVICE FENEW YORK GOVT. SVCS. NOT ELSEWHE GOVT. SVCS. NOT ELSEWHERE CLASSIFIED ROC No. 0000721946	NY	120.36

SEE ACCOUNTANT'S COMPILATION REPORT

Yuma County
Yuma, Arizona
OFFICE OF THE
COUNTY TREASURER
410 Maiden Lane Suite C
Yuma, AZ. 85364

Karen S. Fritz
Treasurer
Anna Hernandez
Chief Deputy

(928) 539-7781 FAX (928) 539-7793

Billing Date: February 5, 2007

Orange Grove Water Co Inc
% Kathleen Day
P.O. Box 889
Yuma, AZ. 85366-0889

RE: Parcel ID#14-104-40-118/Acct#R11606

Enclosed is a corrected tax bill for the tax year 2004. This correction has been made by the Yuma County Assessor's Office.

The tax has been **cancelled** and:
You have paid the full year's taxes, therefore a refund check is enclosed in the amount of $609.65 plus interest due.

If you have any questions, please contact the Yuma County Treasurer's Office at (928)539-7781. If you have questions about the correction itself, please contact the Yuma County Assessor's Office at (928)373-6040.

Sincerely,

Tereese Clark

Tereese Clark
Acct. Clerk III

SEE ACCOUNTANT'S COMPILATION REPORT

Yuma County
Yuma, Arizona
Office of the
County Treasurer
410 Maiden Lane, Suite C
Yuma, AZ 85364
(928) 539-7781

Karen S. Fritz
Treasurer
Anna Hernandez
Chief Deputy

Date:	02/05/07
Parcel Number/ I.D #:	104-40-118
Tax Year/ Roll #:	2004
Tax Payer Name:	Orange Grove Water Co

Please find below your refund and interest due on the above referenced parcel number:

Total Refund Amount:	$609.65
Total Interest Due:	$78.31
Total Due Taxpayer:	$687.96

Also find attached a copy of the correction which created this refund.

If you have any questions feel free to contact this office.

Sincerely,

Tereese Clark

Tereese Clark
Account Clerk III

Pursuant to : ARS 42-16252.D/16214.A3

SEE ACCOUNTANT'S COMPILATION REPORT

2007 BOOK DEPRECIATION SCHEDULE

CLIENT 0325 ORANGE GROVE WATER COMPANY, INC. 86-0285858

3/11/08 06:57PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
FORM 1120																
AUTO / TRANSPORT EQUIPMENT																
19	CHEVY VAN	5/31/93		1,424							1,424	965	S/L	20		71
40	1995 JEEP	2/28/06		6,534							6,534	272	S/L	20		327
	TOTAL AUTO / TRANSPORT EQUIP			7,958		0	0	0	0	0	7,958	1,237				398
FIRE HYDRANTS																
30	HYDRANTS	VARIOUS		6,069							6,069	6,069	S/L	20		0
39	FIRE HYDRANT	4/18/05		2,837							2,837	237	S/L	20		142
	TOTAL FIRE HYDRANTS			8,906		0	0	0	0	0	8,906	6,306				142
FURNITURE AND FIXTURES																
14	COMPUTER SOFTWARE	6/01/91		1,044							1,044	832	S/L	20		52
15	COMPUTER HARD DISK	5/01/92		1,571							1,571	1,158	S/L	20		79
23	OFFICE FURN & EQUIPMENT	VARIOUS		8,522							8,522	7,465	S/L	20		426
31	486 COMPUTER & EQUIPMENT	8/31/95		2,312							2,312	1,392	S/L	20		116
32	COMPUTER & SCANNER	11/01/00		1,326							1,326	462	S/L	20		66
35	COMPUTER EQUIPMENT	11/13/04		1,000							1,000	150	S/L	20		50
	TOTAL FURNITURE AND FIXTURE			15,775		0	0	0	0	0	15,775	11,459				789
IMPROVEMENTS																

SEE ACCOUNTANT'S COMPILATION REPORT

CLIENT 0325 ORANGE GROVE WATER COMPANY, INC. 86-0285858

3/11/08 06:57PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
16	WATER TANK	10/01/92		6,500							6,500	4,631	S/L	20		325
17	WATER TANK - REPLACEMENT	7/01/92		3,750							3,750	2,726	S/L	20		188
22	WATER TANKS - EQUIPMENT	5/01/93		3,755							3,755	2,569	S/L	20		188
24	TRANS & DISTR MAINS	VARIOUS		124,525							124,525	124,525	S/L	20		0
	TOTAL IMPROVEMENTS			138,530		0	0	0	0	0	138,530	134,451				701
	LAND															
4	LAND AND LAND RIGHTS	1/01/73		900							900					0
	TOTAL LAND			900		0	0	0	0	0	900	0				0
	MISCELLANEOUS															
25	WELLS & SPRINGS	1/01/81		11,699							11,699	11,699	S/L	20		0
27	DISTRIBUTION RESERVOIRS	VARIOUS		3,504							3,504	3,504	S/L	20		0
28	SERVICES	VARIOUS		11,264							11,264	11,264	S/L	20		0
29	METERS	VARIOUS		5,076							5,076	5,076	S/L	20		0
	TOTAL MISCELLANEOUS			31,543		0	0	0	0	0	31,543	31,543				0
	PUMPS															
26	ELECTRIC PUMP EQUIPMENT	VARIOUS		10,728							10,728	10,728	S/L	20		0
34	NEW WELL PUMP-INSTALLED	8/27/03		5,781							5,781	963	S/L	20		289
42	NEW WELL PUMP-INSTALLED	10/31/07		6,716							6,716		S/L	20		56
	TOTAL PUMPS			23,225		0	0	0	0	0	23,225	11,691				345

SEE ACCOUNTANT'S COMPILATION REPORT

CLIENT 0325 ORANGE GROVE WATER COMPANY, INC. 86-0285858

3/11/08 06:57PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	SHOP EQUIPMENT															
38	GOLF CART	5/21/05		1,200							1,200	95	S/L	20		60
	TOTAL SHOP EQUIPMENT			1,200		0	0	0	0	0	1,200	95				60
	TOTAL DEPRECIATION			228,037		0	0	0	0	0	228,037	196,782				2,435
	FORM 1120 - RESIDENTIAL RENTAL															
	BUILDINGS															
20	RESIDENCE - SOMERTON AZ	8/17/93		30,000							30,000	20,000	S/L	20		1,500
	TOTAL BUILDINGS			30,000		0	0	0	0	0	30,000	20,000				1,500
	LAND															
21	LAND - SOMERTON HOUSE	8/17/93		2,839							2,839					0
	TOTAL LAND			2,839		0	0	0	0	0	2,839	0				0
	TOTAL DEPRECIATION			32,839		0	0	0	0	0	32,839	20,000				1,500
	GRAND TOTAL DEPRECIATION			260,876		0	0	0	0	0	260,876	216,782				3,935

SEE ACCOUNTANT'S COMPILATION REPORT

THEODORE F. GAFFIN
Certified Public Accountant
250 West 24th Street - Suite G
Yuma, Arizona 85364-8506

Office Phone 928-782-3704
Home Phone 928-342-6015
Cell Phone 928-503-2710
Fax 928-782-0955
Email tfgaffincpa@theriver.com

ACCOUNTANT'S COMPILATION REPORT

Orange Grove Water Company, Inc.
P. O. Box 889
Yuma, Arizona 85366-0889

March 11, 2008

I have compiled the balance sheet of Orange Grove Water Company (A Corporation) as of December 31, 2007, and the related statement of income and expense and the supplementary information for the year then ended included in the accompanying prescribed form in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of certified Public Accountants.

My compilation was limited to presenting in the form prescribed by the State of Arizona Corporation Commission Utilities Division information that is the representation of management. I have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and supplementary information are presented in accordance with the requirements of the State of Arizona Corporation Commission Utilities Division, which differ from generally accepted accounting principals. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

Theodore F. Gaffin
Certified Public Accountant

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

MAR 2 8 2008

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	YUMA
NAME (OWNER OR OFFICIAL) TITLE	KATHLEEN M DAY
COMPANY NAME	ORANGE GROVE WATER COMPANY INC

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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.

Kathleen M. Day
SIGNATURE OF OWNER OR OFFICIAL

928-726-8272
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 25th DAY OF

COUNTY NAME	Yuma
MONTH March	20 08

OFFICIAL SEAL
PATTY CASTRO
NOTARY PUBLIC - STATE OF ARIZONA
YUMA COUNTY
My Comm. Expires Sept. 24, 2008

SEAL

MY COMMISSION EXPIRES 9/24/08

SIGNATURE OF NOTARY PUBLIC

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME ORANGE GROVE WATER COMPANY INC YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	LOSS	(8808)
Estimated or Actual Federal Tax Liability		NONE
State Taxable Income Reported	LOSS	(8758)
Estimated or Actual State Tax Liability		50

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	—
Amount of Gross-Up Tax Collected	—
Total Grossed-Up Contributions/Advances	—

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Kathleen M. Day — SIGNATURE

3-25-08 — DATE

KATHLEEN M DAY — PRINTED NAME

PRESIDENT — TITLE

SEE ACCOUNTANT'S COMPILATION REPORT

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED
MAR 28 2008
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Yuma
NAME (OWNER OR OFFICIAL) TITLE	Kathleen M Day
COMPANY NAME	Orange Grove Water Company Inc

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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 REQUIREMENT 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 CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only ($)
$ 96193

(THE AMOUNT IN BOX ABOVE INCLUDES $ 6297 IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Kathleen M. Day
SIGNATURE OF OWNER OR OFFICIAL

928-726-8272
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 25th DAY OF

COUNTY NAME Yuma	
MONTH March	2008

OFFICIAL SEAL
PATTY CASTRO
NOTARY PUBLIC - STATE OF ARIZONA
YUMA COUNTY
My Comm. Expires Sept. 24, 2008

Patty Castro
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 9-24-08

SEE ACCOUNTANT'S COMPILATION REPORT

RECEIVED

MAR 28 2008

AZ CORP COMM
Director Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) YUMA	
NAME (OWNER OR OFFICIAL) KATHLEEN M DAY	TITLE PRESIDENT
COMPANY NAME ORANGE GROVE WATER COMPANY INC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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 40-401.01, 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 CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 96193

THE AMOUNT IN BOX AT LEFT INCLUDES $ 6297 IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.**

X Kathleen M. Day
SIGNATURE OF OWNER OR OFFICIAL

928-726-8272
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 25th **DAY OF**

(SEAL)

OFFICIAL SEAL
PATTY CASTRO
NOTARY PUBLIC - STATE OF ARIZONA
YUMA COUNTY
My Comm. Expires Sept. 24, 2008

MY COMMISSION EXPIRES 9-24-08

NOTARY PUBLIC NAME Patty Castro	
COUNTY NAME Yuma	
MONTH March	.2008

X Patty Castro
SIGNATURE OF NOTARY PUBLIC

SEE ACCOUNTANT'S COMPILATION REPORT