

ANNUAL REPORT

Of

Company Name:

c/o Global Water Resources, Inc.

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

Phoenix AZ

85027

Docket No.: W-03720A

For the Year Ended:

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Water Utility of Northern Scottsdale, LLC
A Class Utility

For the Calendar Year Ended:

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership:

Counties Served:

Important changes during the year

	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	No change in ownership or direct control during the year.

	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	No notification by any other regulatory authorities during the year that the company is out of compliance.

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	30,374	0	0	30,374	0	30,374
304	Structures and Improvements	20,000	0	0	20,000	10,333	9,667
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	132,915	29,478	0	162,392	62,778	99,614
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	11,620	0	0	11,620	349	11,271
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	262,608	756	0	263,364	228,823	34,541
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	377	0	0	377	140	237
320.2	Solution Chemical Feeders	3,094	3,796	0	6,890	2,126	4,763
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	514	0	0	514	17	497
330.1	Storage Tanks	168,460	0	0	168,460	57,923	110,537
330.2	Pressure Tanks	15,023	0	0	15,023	5,175	9,848
331	Transmission and Distribution Mains	1,159,296	0	0	1,159,296	321,891	837,404
333	Services	60,013	0	0	60,013	27,815	32,198
334	Meters and Meter Installations	53,979	897	0	54,875	10,962	43,913
335	Hydrants	107,314	0	0	107,314	29,831	77,483
336	Backflow Prevention Devices	775	0	0	775	671	104
339	Other Plant and Misc. Equipment	3,188	0	0	3,188	2,127	1,060
340	Office Furniture and Equipment	0	296	0	296	71	224
340.1	Computer & Software	0	1,315	0	1,315	1,160	156
341	Transportation Equipment	0	117	0	117	24	93
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	515	0	0	515	296	219
344	Laboratory Equipment	1,476	0	0	1,476	221	1,254
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	10	0	10	7	3
347	Miscellaneous Equipment	266	0	0	266	146	119
348	Other Tangible Plant	17,685	0	0	17,685	9,344	8,341
	Totals	\$2,049,489	\$36,664	\$0	\$2,086,153	\$772,231	\$1,313,923

Water Utility of Northern Scottsdale, LLC
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/19

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	30,374	0	0	30,374	30,374	0	0.00%	0
304	Structures and Improvements	20,000	0	0	20,000	0	20,000	3.33%	667
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	132,915	29,478	0	162,392	0	162,392	3.54%	5,222
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	11,620	0	0	11,620	0	11,620	2.00%	232
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	262,608	756	0	263,364	215,626	47,739	12.50%	5,920
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	377	0	0	377	0	377	3.23%	12
320.2	Solution Chemical Feeders	3,094	3,796	0	6,890	0	6,890	11.46%	572
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	514	0	0	514	0	514	2.22%	11
330.1	Storage Tanks	168,460	0	0	168,460	0	168,460	2.22%	3,744
330.2	Pressure Tanks	15,023	0	0	15,023	0	15,023	2.22%	334
331	Transmission and Distribution Mains	1,159,296	0	0	1,159,296	0	1,159,296	2.00%	23,186
333	Services	60,013	0	0	60,013	0	60,013	3.33%	2,000
334	Meters and Meter Installations	53,979	897	0	54,875	0	54,875	8.40%	4,573
335	Hydrants	107,314	0	0	107,314	0	107,314	2.00%	2,145
336	Backflow Prevention Devices	775	0	0	775	0	775	6.67%	52
339	Other Plant and Misc. Equipment	3,188	0	0	3,188	0	3,188	6.41%	204
340	Office Furniture and Equipment	0	296	0	296	0	296	10.21%	15
340.1	Computer & Software	0	1,315	0	1,315	0	1,315	20.87%	137
341	Transportation Equipment	0	117	0	117	0	117	30.45%	18
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	515	0	0	515	0	515	5.00%	26
344	Laboratory Equipment	1,476	0	0	1,476	0	1,476	3.33%	49
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	10	0	10	0	10	18.81%	1
347	Miscellaneous Equipment	266	0	0	266	0	266	10.00%	27
348	Other Tangible Plant	17,685	0	0	17,685	0	17,685	10.00%	1,768
	Subtotal	\$2,049,489	\$36,664	\$0	\$2,086,153	\$246,000	\$1,840,154		\$50,916

Contribution(s) in Aid of Construction (Gross)	\$1,804,098
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,804,098
Times: Proposed Amortization Rate	3.68%
Amortization of CIAC	\$66,457

Less: Amortization of CIAC \$66,457

DEPRECIATION EXPENSE **(\$15,542)**

Water Utility of Northern Scottsdale, LLC
Annual Report
Balance Sheet Assets
12/31/19

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current and Accrued Assets			
131	Cash		\$0	\$0
132	Special Deposits		0	0
133	Other Special Deposits		0	0
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		4,205	2,048
142	Other Accounts Receivable		0	0
143	Accumulated Provision for Uncollectable Accounts		(1,320)	(120)
146	Notes Receivable from Associated Companies		261	8,095
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
173	Accrued Utility Revenue		13,336	10,627
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$16,483	\$20,650
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
190	Accumulated Deferred Income Taxes		92,049	89,006
	Total Deferred Debits		\$92,049	\$89,006
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,050,083	\$2,086,153
103	Property Held for Future Use		0	0
105	Construction Work in Progress		24,823	29,245
108	Accumulated Depreciation (enter as negative)*		(720,819)	(772,231)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,354,088	\$1,343,168
	Other Fixed Assets			
114	Utility Plant Acquisition Adjustments		\$0	\$0
	Total Other Fixed Assets		\$0	\$0
	Total Assets		\$1,462,620	\$1,452,824

*Note these items feed automatically from AR3 UPIS Page 4

Water Utility of Northern Scottsdale, LLC
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities			
231	Accounts Payable		\$589	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		14,290	8,380
236	Accrued Taxes, Income Taxes		11,574	2,836
237	Accrued Interest		1,114	1,012
241	Miscellaneous Current and Accrued Liabilities		9,562	9,271
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$37,130	\$21,500
	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		9,987	8,567
253	Other Deferred Credits		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,804,098	1,804,098
272	Less: Amortization of Contributions		(349,423)	(415,881)
281	Accumulated Deferred Income Tax		114,452	139,324
	Total Deferred Credits		\$1,579,113	\$1,536,108
	Total Liabilities		\$1,616,242	\$1,557,608
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		(766,271)	(866,130)
215	Retained Earnings		612,648	761,346
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		(\$153,622)	(\$104,784)
	Total Liabilities and Capital		\$1,462,620	\$1,452,824

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Water Utility of Northern Scottsdale, LLC
Annual Report
Water Comparative Income Statement
12/31/19

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	Operating Revenue		
461	Metered Water Revenue	\$236,301	\$230,627
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	942	1,122
	Total Revenues	\$237,243	\$231,748
	Operating Expenses		
601	Salaries and Wages	\$23,111	\$19,024
604	Employee Pensions and Benefits	4,265	3,619
610	Purchased Water	0	0
615	Purchased Power	17,947	19,164
616	Fuel for Power Production	0	0
618	Chemicals	5,032	3,188
620	Materials and Supplies	83	121
620.1	Repairs and Maintenance	1,932	4,429
620.2	Office Supplies and Expense	1,290	1,070
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,448	1,699
633	Contractual Services - Legal	1,032	2,795
634	Contractual Services - Management Fees	6,397	9,009
635	Contractual Services - Water Testing	947	1,196
636	Contractual Services - Other	1,997	1,249
640	Rents	0	0
641	Rental of Building/Real Property	355	259
642	Rental of Equipment	16	14
650	Transportation Expenses	3,144	2,252
656	Insurance - Vehicles	0	0
657	Insurance - General Liability	853	820
658	Insurance - Worker's Comp	186	132
657.1	Insurance - Health and Life	0	0
660	Advertising	30	9
665	Regulatory Commission Expense - Rate	0	0
667	Regulatory Commission Expense - Other	452	387
670	Bad Debt Expense	(8)	1,643
675	Miscellaneous Expense	4,631	4,367
403	Depreciation Expense (From Schedule AR4)	(15,542)	(19,997)
408	Taxes Other Than Income	402	566
408.11	Property Taxes	(4,520)	12,654
408.12	Payroll Taxes	1,565	1,323
409	Income Taxes	30,861	38,806
427.1	Customer Security Deposit Interest	392	0
	Total Operating Expenses	\$88,299	\$109,797
	Operating Income / (Loss)	\$148,944	\$121,952
	Other Income / (Expense)		
414	Gain/Loss on Dispositions	\$0	(\$12)
419	Interest and Dividend Income	0	8
421	Non-Utility Income	(30)	0
426	Miscellaneous Non-Utility (Expense)	(4)	(1)
427	Interest (Expense)	(212)	(490)
	Total Other Income / (Expense)	(\$246)	(\$495)
	Net Income / (Loss)	\$148,698	\$121,456

Water Utility of Northern Scottsdale, LLC
 Annual Report
 Full time equivalent employees
 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.3	0.0	0.3
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	0.0	0.4	0.0	0.4

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	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amt. Issued	N/A	N/A	N/A	N/A
Amount Outstanding	N/A	N/A	N/A	N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	N/A	N/A	N/A	N/A
Current Year Principal	N/A	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$8,567
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Meter Deposits Refunded During the Test Year:	\$1,420
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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.

Well and Water Usage											
Name of the System:		WATER UTILITY OF NORTHERN SCOTTSDALE									
ADEQ Public Water System Number:		AZ0407179									
ADWR PCC Number:		91-000243.0000									
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2010	Water level 2019	Meter Size (inches)	How measured:	Active
55-565172	50	80	1,000	6	Submersible	1997	NA	502	3	Metered	Yes
55-583777	50	80	970	6	Submersible	2001	NA	512	4	Metered	Yes
55-586186	NA	NA	1,000	8	NA	2001	NA	NA	3	Metered	No
55-210840	NA	NA	1,230	6	NA	2006	NA	NA	NA	Metered	No
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
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

Name of system water delivered to:	NA	
ADWR PCC Number:	#N/A	
Source of water delivered to another system	NA	
Name of system water received from:	NA	
ADWR PCC Number:	#N/A	
Source of water received	NA	
Well registry 55# (55-XXXXXX):	NA	

Month	Water withdrawn (gallons) ¹	Water sold (gallons) ²	Water delivered (sold) to other systems (gallons) ³	Water received (purchased) from other systems (gallons) ⁴	Estimated authorized use (gallons) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	1,805,000.00	1,219,000.00	0.00	0.00	8,690.00	\$1,271	12,305
February	1,603,000.00	1,280,000.00	0.00	0.00	8,690.00	\$1,184	11,456
March	2,040,000.00	1,762,000.00	0.00	0.00	14,330.00	\$1,061	9,409
April	2,307,000.00	2,145,000.00	0.00	0.00	20,498.00	\$1,075	11,153
May	2,111,000.00	2,205,000.00	0.00	0.00	8,690.00	\$1,562	14,339
June	2,915,000.00	2,260,000.00	0.00	0.00	8,690.00	\$1,669	15,058
July	3,748,000.00	2,370,000.00	0.00	0.00	8,690.00	\$2,117	16,092
August	3,164,000.00	3,081,000.00	0.00	0.00	38,690.00	\$2,265	18,434
September	3,129,000.00	3,312,000.00	0.00	0.00	38,690.00	\$1,984	18,338
October	2,643,000.00	2,681,000.00	0.00	0.00	8,690.00	\$1,852	17,155
November	1,669,000.00	2,694,000.00	0.00	0.00	20,749.00	\$1,441	15,986
December	1,107,000.00	1,512,000.00	0.00	0.00	8,690.00	\$1,080	11,586
Totals	28,241,000.00	26,521,000.00	0.00	0.00	193,787.00	\$18,562	171,311

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 On 4/29/19 11,808 gallons (unmetered) were used for flushing Well #1 after repairs and bringing the well back online.

¹ Water withdrawn - Total gallons of water withdrawn from pumped sources.
² Water sold - Total gallons from customer meters, and other sales such as construction water.
³ Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
⁴ Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
⁵ Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
⁶ Enter the total purchased power costs for the power meters associated with this system.
⁷ Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description	
Name of the System:	WATER UTILITY OF NORTHERN SCOTTSDALE
ADEQ Public Water System Number:	AZ0407179
ADWR PCC Number:	91-000243.0000

MAINS		
Sizes (inches)	Material	Length (feet)
2	0	0
3	0	0
4	0	0
5	0	0
6	PVC	129
8	PVC	15,418
10	PVC	9,752
12	PVC	6,810
16	PVC	70
6	Unknown	46
8	Unknown	8,137
10	Unknown	7,051
0	0	0
0	0	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	0	0%	0%
3/4	3	0%	0%
1	82	16%	0%
1 1/2	4	25%	0%
Compound 2	0	0%	0%
Turbine 2	1	0%	0%
Compound 3	0	0%	0%
Turbine 3	2	100%	0%
Compound 4	0	0%	0%
Turbine 5	0	0%	0%
Compound 6	0	0%	0%
Turbine 6	0	0%	0%
6+	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%

SERVICE LINES		
Material	Percent of system	Year installed
Copper	100%	001-2019
0	0	0
0	0	0
0	0	0
0	0	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
75	1,000	1
25	160	2
0	0	0
0	0	0

FIRE HYDRANTS	
Type	Quantity
Standard *	55
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
250,000	Steel	1	2001
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	1	2001
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

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

TREATMENT EQUIPMENT:	Chlorination system at each of the active wells. Total of two chlorination systems.
-----------------------------	---

STRUCTURES:	Block walls at each of the three well sites and water distribution center. 8' x 8' storage shed at Water Distribution Site.
--------------------	---

OTHER:	None
---------------	------

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC

555

 Method used:

(a)

Customer and Other Information	
Name of the System:	WATER UTILITY OF NORTHERN SCOTTSDALE
ADEQ Public Water System Number:	AZ0407179
ADWR PCC Number:	91-000243.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	88	0	2	0	0
February	87	0	2	0	0
March	87	0	2	0	0
April	86	0	2	0	0
May	86	0	2	0	0
June	86	0	2	0	0
July	86	0	2	0	0
August	87	0	2	0	0
September	87	0	2	0	0
October	88	0	2	0	0
November	88	0	2	0	0
December	87	0	2	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Currently, this PWS has no plans to enlarge or improve the system.

* an ERC is based on the calculation on the bottom of AR9 page 12.

Water Utility of Northern Scottsdale, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	WATER UTILITY OF NORTHERN SCOTTSDALE
ADEQ Public Water System Number:	AZ0407179
ADWR PCC Number:	91-000243.0000

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):

NA

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.

Water Utility of Northern Scottsdale, LLC
Annual Report
Property Taxes
12/31/19

Property Taxes	
-----------------------	--

Amount of actual property taxes paid during Calendar Year 2019 was	\$4,077
--	---------

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 Sworn Statement (Taxes)

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

County of (county name): Maricopa
Name (owner or official) title: Joanne Ellsworth
Company name: Water Utility of Northern Scottsdale, LLC

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

FOR THE YEAR ENDING: 12/31/19

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.

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

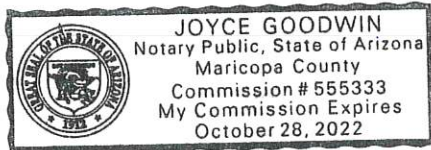
Joanne Ellsworth
signature of owner/official

480-999-5247
telephone no.

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

THIS 15th DAY OF April, 2020
(month) and (year)

MY COMMISSION EXPIRES October 28, 2022
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Maricopa
Name (owner or official) title: Joanne Ellsworth
Company name: Water Utility of Northern Scottsdale, LLC

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

FOR THE YEAR ENDING: 12/31/19

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 (\$)
\$252,499
(The amount in the box above includes
\$15,256 in sales taxes
billed or collected)

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Joanne Ellsworth
signature of owner/official

480-999-5247
telephone no.

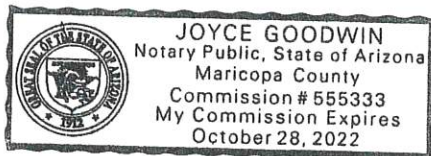
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Maricopa
(county name)

THIS 15th DAY OF April, 2020
(month) and (year)

MY COMMISSION EXPIRES

October 28, 2022
(date)



[Signature]
(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): Maricopa
Name (owner or official) title: Joanne Ellsworth
Company name: Water Utility of Northern Scottsdale, LLC

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

FOR THE YEAR ENDING: 12/31/19

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 (\$)

\$185,433

(The amount in the box above includes

\$11,204 in sales taxes
billed or collected)

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Joanne Ellsworth
signature of owner/official

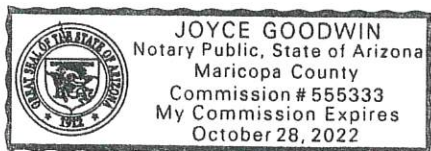
480-999-5247
telephone no.

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

Maricopa
(county name)

THIS 15th DAY OF April 2020
(month) and (year)

MY COMMISSION EXPIRES October 28, 2022
(date)



[Signature]
(signature of notary public)

Water Utility of Northern Scottsdale, LLC
Annual Report
Gross-up Sharing Method for Income Tax Statement of Certification
12/31/19

Gross-up Sharing Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Joanne Ellsworth
Company name: Water Utility of Northern Scottsdale, LLC

FOR THE YEAR ENDING: 12/31/19

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS INCURRED OR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

**RECEIVED
BY EMAIL**

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Joanne Ellsworth
signature of owner/official

480-999-5247
telephone no.

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

Maricopa
(county name)

THIS 15th DAY OF April, 2020
(month) and (year)

MY COMMISSION EXPIRES October 28, 2022
(date)

[Signature]
(signature of notary public)

