

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

**W-02859A**

**Diversified Water Utilities, Inc.**

**4700 East Thomas Road, Suite 203**

**Phoenix, Arizona 85018**

**RECEIVED**

**'APR 16 2014**

**ACC UTILITIES DIRECTOR**

**ANNUAL REPORT**  
**Water**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2013</b>
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FOR COMMISSION USE

<b>ANN 04</b>	<b>13</b>
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4-18-14

## COMPANY INFORMATION

**Company Name (Business Name)** Diversified Water Utilities, Inc.

**Mailing Address** 4700 E Thomas Road, Suite 203

(Street)

Phoenix

(City)

Arizona

(State)

85018

(Zip)

(602) 840-9400

Telephone No. (Include Area Code)

(602) 840-6030

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** sgray@dwuwater.com

**Local Office Mailing Address** 4700 E Thomas Road, Suite 203

(Street)

Phoenix

(City)

Arizona

(State)

85018

(Zip)

(602) 840-9400

Telephone No. (Include Area Code)

(602) 840-6030

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** sgray@dwuwater.com

## MANAGEMENT INFORMATION

**Regulatory Contact:**

**Management Contact:**

Scott Gray

(Name)

President

(Title)

4700 E Thomas Road, Suite 203

(Street)

Phoenix

(City)

Arizona

(State)

85018

(Zip)

(602) 840-9400

Telephone No. (Include Area Code)

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Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** sgray@dwuwater.com

**On Site Manager:**

David Dickinson

(Name)

Operations Manager

(Title)

4700 E Thomas Road, Suite 203

(Street)

Phoenix

(City)

Arizona

(State)

85018

(Zip)

(602) 840-9400

Telephone No. (Include Area Code)

(602) 840-6030

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** ddickinson@dwuwater.com

**Statutory Agent:** Scott W. Gray

(Name)

4700 E Thomas Road, Ste 203

Phoenix

Arizona

85018

(Street)

(City)

(State)

(Zip)

(602) 840-9400

(602) 840-6030

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Attorney:** William P Sullivan, Curtis Goodwin Sullivan Udall & Schwab, PLC

(Name)

501 E Thomas Road

Phoenix

Arizona

85012

(Street)

(City)

(State)

(Zip)

(602) 393-1700

(602) 393-1703

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |  |   |
|--|---|
| <input type="checkbox"/> Sole Proprietor ( S ) | <input type="checkbox"/> C Corporation ( C ) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership ( P )     | <input checked="" type="checkbox"/> Subchapter S Corporation ( Z )          |
| <input type="checkbox"/> Bankruptcy ( B )      | <input type="checkbox"/> Association / Co-op ( A )                          |
| <input type="checkbox"/> Receivership ( R )    | <input type="checkbox"/> Limited Liability Company                          |
| <input type="checkbox"/> Other (Describe)      |   |

## COUNTIES SERVED

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

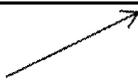
- |                                     |                                   |   |
|-------------------------------------|-----------------------------------|---|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO         |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE         |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE           |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA             |
| <input type="checkbox"/> STATEWIDE  |                                   |   |

**COMPANY NAME**

DIVERSIFIED WATER UTILITIES, INC.

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization	-	-	-
302	Franchises	-	-	-
303	Land and Land Rights	83,092	-	83,092
304	Structures and Improvements	205,945	48,946	156,999
307	Wells and Springs	457,092	151,190	305,902
311	Pumping Equipment	1,960,895	467,955	1,492,940
320	Water treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	569,023	185,809	383,214
331	Transmission and Distribution Mains	3,215,981	821,980	2,394,001
333	Services	603,892	97,726	506,166
334	Meters and Meter Installations	473,581	113,372	360,209
335	Hydrants	310,310	58,242	252,068
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	59,450	11,499	47,951
341	Transportation Equipment	-	-	-
343	Tools, Shop and Garage Equipment	8,917	1,749	7,168
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	-	-	-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	122,783	31,915	90,868
	<b>TOTALS</b>	<b>8,070,960</b>	<b>1,990,383</b>	<b>6,080,577</b>

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

**COMPANY NAME**

DIVERSIFIED WATER UTILITIES, 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	83,092		-
304	Structures and Improvements	205,945	3.56%	7,332
307	Wells and Springs	457,092	3.56%	16,272
311	Pumping Equipment	1,960,895	3.56%	69,808
320	Water treatment Equipment	-		-
330	Distribution Reservoirs and Standpipes	564,906	3.56%	20,111
331	Transmission and Distribution Mains	3,195,156	3.56%	113,748
333	Services	603,892	3.56%	21,499
334	Meters and Meter Installations	473,581	3.56%	16,859
335	Hydrants	310,310	3.56%	11,047
336	Backflow Prevention Devices	-		-
339	Other Plant and Misc. Equipment	-		-
340	Office Furniture and Equipment	59,450	3.56%	2,116
341	Transportation Equipment	-		-
343	Tools, Shop and Garage Equipment	8,917	3.56%	317
344	Laboratory Equipment	-		-
345	Power Operated Equipment	-		-
346	Communication Equipment	-		-
347	Miscellaneous Equipment	-		-
348	Other Tangible Plant	122,783	3.56%	4,371
	<b>SUBTOTALS</b>	<b>8,046,019</b>		<b>283,480</b>
	Less: Amortization of Contributions			(49,071)
	<b>TOTALS</b>	<b>8,046,019</b>		<b>234,409</b>

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

**COMPANY NAME**

DIVERSIFIED WATER UTILITIES, INC.

**BALANCE SHEET**

<b>Acct. No.</b>	<b>ASSETS</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 395,451	\$ 192,351
134	Working Funds	\$ -	\$ -
135	Temporary Cash Investments	\$ -	\$ -
141	Customer Accounts Receivable	\$ 3,957	\$ 2,138
146	Notes/Receivables from Associated Companies	\$ -	\$ -
151	Plant Material and Supplies	\$ -	\$ -
162	Prepayments	\$ 12,502	\$ 12,656
174	Miscellaneous Current and Accrued Assets	\$ -	\$ 189
127	Other Special Funds	\$ -	\$ 162,445
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 411,909	\$ 369,779
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 7,958,598	\$ 8,070,960
103	Property Held for Future Use	\$ -	\$ -
105	Construction Work in Progress	\$ 1,537	\$ -
108	Accumulated Depreciation - Utility Plant	\$ 1,706,903	\$ 1,990,383
121	Non-Utility Property	\$ -	\$ -
122	Accumulated Depreciation - Non Utility	\$ -	\$ -
	<b>TOTAL FIXED ASSETS</b>	\$ 6,253,232	\$ 6,080,577
	<b>TOTAL ASSETS</b>	\$ 6,665,141	\$ 6,450,356

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

**COMPANY NAME**

DIVERSIFIED WATER UTILITIES, INC.

**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 23,424	\$ 25,355
232	Notes Payable (Current Portion)	\$ 222,000	\$ 210,600
234	Notes/Accounts Payable to Associated Companies	\$ -	\$ -
235	Customer Deposits	\$ 27,160	\$ 29,470
236	Accrued Taxes	\$ 36,152	\$ 37,044
237	Accrued Interest	\$ 763	\$ 867
241	Miscellaneous Current and Accrued Liabilities	\$ 13,827	\$ 17,402
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 323,326	\$ 320,739
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 114,224	\$ 92,658
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Dept	\$ -	\$ -
252	Advances in Aid of Construction	\$ 4,696,507	\$ 4,528,821
255	Accumulated Deferred Investment Tax Credits	\$ -	\$ -
271	Contributions in Aid of Construction	\$ 1,374,992	\$ 1,378,381
272	Less: Amortization of Contributions	\$ 336,406	\$ 385,477
281	Accumulated Deferred Income Tax	\$ -	\$ -
	<b>TOTAL DEFERRED CREDITS</b>	\$ 5,735,093	\$ 5,521,726
	<b>TOTAL LIABILITIES</b>	\$ 6,172,643	\$ 5,935,122
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 2,000	\$ 2,000
211	Paid in Capital in Excess of Par Value	\$ 198,261	\$ 198,261
215	Retained Earnings	\$ 292,237	\$ 314,973
218	Proprietary Capital (Sole Props and Partnerships)	\$ -	\$ -
	<b>TOTAL CAPITAL</b>	\$ 492,498	\$ 515,234
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 6,665,141	\$ 6,450,356

**COMPANY NAME**

DIVERSIFIED WATER UTILITIES, INC.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSES**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,146,817	\$ 1,105,912
460	Unmetered Water Revenue	\$ -	\$ -
474	Other Water Revenues	\$ 15,742	\$ 16,326
	<b>TOTAL REVENUES</b>	\$ 1,162,559	\$ 1,122,238
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 366,240	\$ 368,875
610	Purchased Water	\$ -	\$ -
615	Purchased Power	\$ 69,056	\$ 66,234
618	Chemicals	\$ 3,497	\$ 2,945
620	Repairs and Maintenance	\$ 31,527	\$ 40,362
621	Office Supplies and Expense	\$ 35,703	\$ 39,405
630	Outside Services	\$ 60,384	\$ 65,385
635	Water Testing	\$ 3,536	\$ 2,847
641	Rents	\$ 42,861	\$ 43,446
650	Transportation Expense	\$ 19,696	\$ 22,605
657	Insurance - General Liability	\$ 14,286	\$ 14,158
659	Insurance - Health and Life	\$ 54,697	\$ 55,344
666	Regulatory Commission Expense - Rate Case	\$ -	\$ -
675	Miscellaneous Expense	\$ 39,807	\$ 42,469
403	Depreciation Expense	\$ 231,272	\$ 234,409
408	Taxes Other Than Income	\$ 26,193	\$ 26,746
408.11	Property Tax	\$ 52,594	\$ 58,771
409	Income Tax	\$ 36,000	\$ 112,000
	<b>TOTAL OPERATING EXPENSES</b>	\$ 1,087,349	\$ 1,196,000
	<b>OPERATING INCOME/(LOSS)</b>	\$ 75,210	\$ (73,762)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 257	\$ 114
421	Non-Utility Income	\$ 553	\$ 157,303
426	Miscellaneous Non-Utility Expenses	\$ -	\$ -
427	Interest Expense	\$ (9,765)	\$ (8,066)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ (8,955)	\$ 149,351
	<b>NET INCOME/(LOSS)</b>	\$ 66,255	\$ 75,589

**COMPANY NAME**

DIVERSIFIED WATER UTILITIES, INC.

**SUPPLIMENTAL FINANCIAL DATA****Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	2002			
Source of Loan	WIFA Note			
ACC Decision No.				
Reason for Loan	PLANT IMPROVEMENT			
Dollar Amount Issued	\$ 353,900			
Amount Outstanding	\$ 114,258			
Date of Maturity				
Interest Rate	4.725%			
Current Year Interest	\$ 6,642			
Current Year Principle	\$ 20,566			

Meter Deposit Balance at Test Year End

\$422,959

Meter Deposits Refunded During the Test Year

\$104,549

<b>COMPANY NAME</b>	Diversified Water Utilities, Inc.		
<b>Name of System:</b>	n/a	<b>ADEQ Public Water System Number:</b>	AZ04-11-043

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-609350**	30	200	1,000	20	6	1952
55-627093	250	1,200	913	20	12	1958
55-627092	300	1,500	1,003	20	12	1962
55-627095**	none	none	1,800	20	none	1967

\* Arizona Department of Water Resources Identification Number

\*\* Not in service

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
None		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
10 horsepower	2	96	
30 horsepower	4		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
200,000	1	5,000	2
20,000	1	7,500	1
1,000,000	1		

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

<b>COMPANY NAME</b>	Diversified Water Utilities, Inc.	
<b>Name of System:</b>	n/a	<b>ADEQ Public Water System Number:</b> AZ04-11-043

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC/Ductile	40
5		
6	PVC/Ductile	54,689
8	PVC/Ductile	62,246
10		
12	PVC/Ductile	20,807

**CUSTOMER METERS**

Size (in Inches)	Quantity
5/8 X 3/4	360
3/4	832
1	242
1 1/2	4
2	5
<b>Comp. 3</b>	
<b>Turbo 3</b>	3
<b>Comp. 4</b>	
<b>Turbo 4</b>	
<b>Comp. 6</b>	
<b>Turbo 6</b>	

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

**TREATMENT EQUIPMENT:**

Liquid Chlorine (1)

Gas Chlorinators (2)

**STRUCTURES:**

Storage Shed (1)

Chlorine Shet (3)

Motor Control Room (2)

**OTHER:**

Generator

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

<b>COMPANY NAME</b>	Diversified Water Utilities, Inc.		
<b>Name of System:</b>	n/a	<b>ADEQ Public Water System Number:</b>	AZ04-11-043

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007**

<b>MONTH/YEAR</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD (Thousands)</b>	<b>GALLONS PUMPED (Thousands)</b>	<b>GALLONS PURCHASED (Thousands)</b>
JANUARY	1379	11,424	13,680	-
FEBRUARY	1371	9,578	11,921	-
MARCH	1376	10,885	12,636	-
APRIL	1,392	13,109	14,702	
MAY	1,392	18,103	19,359	
JUNE	1,398	18,682	20,321	
JULY	1,403	17,747	18,857	
AUGUST	1,404	18,937	20,717	
SEPTEMBER	1,407	12,722	13,969	
OCTOBER	1,410	16,977	19,885	
NOVEMBER	1,416	12,480	13,526	
DECEMBER	1,409	10,323	11,279	
		170,968	190,852	NONE

What is the level of arsenic for each well on your system? .0026 mg/l (55-627093)  
*(If more than one well, please list separately.)* .0016 mg/l (55-627092)

If system has fire hydrants, what is the fire flow requirement? 1,500 GPM for 2 hours

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):  
 Yes       No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
 Yes       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.***

<b>COMPANY NAME</b>	Diversified Water Utilities, Inc.		
<b>Name of System:</b>	n/a	<b>ADEQ Public Water System Number:</b>	AZ04-11-043

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-410.B</b>	<b>Termination with Notice R14-2-410.C</b>	<b>OTHER</b>
JANUARY	-	18	-
FEBRUARY	-	26	-
MARCH	-	11	-
APRIL	-	22	-
MAY	-	19	-
JUNE	-	18	-
JULY	-	13	-
AUGUST	-	24	-
SEPTEMBER	-	17	-
OCTOBER	-	22	-
NOVEMBER	-	7	-
DECEMBER	-	8	-
<b>TOTALS</b>	-	205	-

OTHER (description) :

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**COMPANY NAME** Diversified Water Utilities, Inc. **YEAR ENDING** 12/31/2013

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 55,705.93

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. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

RECEIVED

**APR 16 2014**

ACC UTILITIES DIRECTOR

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME) Maricopa
NAME (OWNER OR OFFICIAL) TITLE Scott W. Gray, President
COMPANY NAME Diversified Water Utilities, Inc.

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

**FOR THE YEAR ENDING**

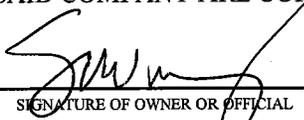
MONTH	DAY	YEAR
12	31	2013

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARED 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.

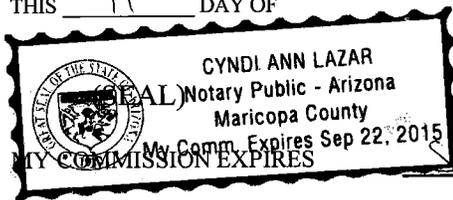
  
 \_\_\_\_\_  
 SIGNATURE OF OWNER OR OFFICIAL  
 (602) 840-9400  
 \_\_\_\_\_  
 TELEPHONE NUMBER

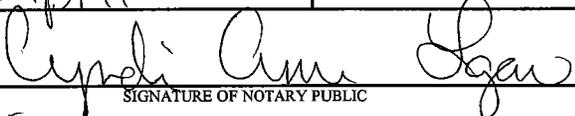
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11 DAY OF

COUNTY OF (COUNTY NAME) Maricopa	
MONTH April	2014



  
 \_\_\_\_\_  
 SIGNATURE OF NOTARY PUBLIC

Sept 22, 2015

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>n/a - S Corporation</u>
Estimated or Actual Federal Tax Liability	<u>n/a - S Corporation</u>

State Taxable Income Reported	<u>n/a - S Corporation</u>
Estimated or Actual State Tax Liability	<u>n/a - S Corporation</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

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.

  
 \_\_\_\_\_  
 SIGNATURE

4/11/14  
 \_\_\_\_\_  
 DATE

Scott W. Gray  
 \_\_\_\_\_  
 PRINTED NAME

President  
 \_\_\_\_\_  
 TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED  
APR 16 2014**

ACC UTILITIES DIRECTOR

**VERIFICATION  
STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME) <b>Maricopa</b>
NAME (OWNER OR OFFICIAL) TITLE <b>Scott W. Gray, President</b>
COMPANY NAME <b>Diversified Water Utilities, Inc.</b>

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

**FOR THE YEAR ENDING**

MONTH <b>12</b>	DAY <b>31</b>	YEAR <b>2013</b>
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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.

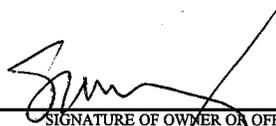
**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HERIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ 1,201,534

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 79,296  
IN SALES TAXES BILLED, OR COLLECTED)

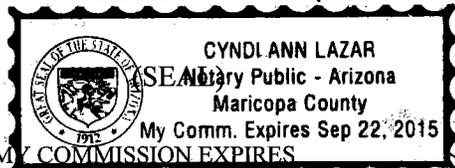
\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

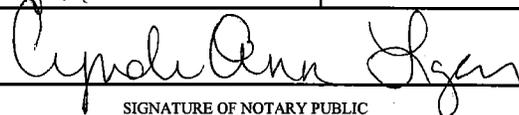
  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
**(602) 840-9400**  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 11 DAY OF April, 2014

COUNTY OF (COUNTY NAME) <b>Maricopa</b>	
MONTH <b>April</b>	<b>2014</b>

  
**CYNDI ANN LAZAR**  
Notary Public - Arizona  
Maricopa County  
My Comm. Expires Sep 22, 2015  
MY COMMISSION EXPIRES Sept 22, 2015

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

RECEIVED

**APR 16 2014**

ACC UTILITIES DIRECTOR

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)	Maricopa
NAME (OWNER OR OFFICIAL) TITLE	Scott W. Gray, President
COMPANY NAME	Diversified Water Utilities, Inc

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

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2013

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 40-401.01, ARIZONA REVISED STATUTES, IT IS HERIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)	(THE AMOUNT IN BOX AT LEFT
\$ 1,075,628.15	INCLUDES \$ 71,689
	IN SALES TAXES BILLED, OR COLLECTED)

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

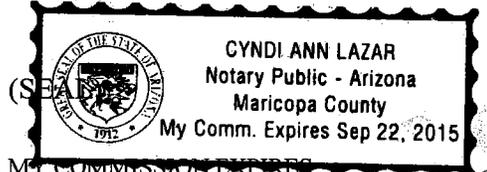
*[Signature]*  
 \_\_\_\_\_  
 SIGNATURE OF OWNER OR OFFICIAL  
 (602) 840-9400  
 \_\_\_\_\_  
 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11 DAY OF

NOTARY PUBLIC NAME	Cyndi Ann Lazar
COUNTY OF (COUNTY NAME)	Maricopa
MONTH	April
	2014



*[Signature]*  
 \_\_\_\_\_  
 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES Sept 22, 2015