

ANNUAL REPORT

Of

Company Name:
12725 W. Indian School Rd., Ste. D101

Mailing Address: Avondale AZ
85392

Docket No.: WS-02676A
For the Year Ended:

RECEIVED
JUN 11 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:
Application Date:

6-11-19

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Liberty Utilities (Rio Rico Water and Sewer) Corp
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:

Liberty Utilities (Rio Rico Water and Sewer) Corp
Annual Report
Utility Plant in Service (Water)
12/31/18

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	417	0	0	417	0	417
303	Land and Land Rights	45,968	0	0	45,968	0	45,968
304	Structures and Improvements	3,178,261	62,166	12,316	3,228,111	1,560,740	1,667,371
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	549,813	0	0	549,813	317,087	232,726
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	266,236	0	0	266,236	68,046	198,190
310	Power Generation Equipment	217,195	0	0	217,195	176,801	40,394
311	Pumping Equipment	2,322,437	21,196	28,833	2,314,800	1,286,159	1,028,641
320	Water Treatment Equipment	1,114	0	0	1,114	(2,717)	3,831
320.1	Water Treatment Plants	370,088	2,586	915	371,759	264,381	107,378
320.2	Solution Chemical Feeders	50,331	2,786	0	53,117	25,556	27,561
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	690,752	0	0	690,752	321,272	369,480
330.2	Pressure Tanks	69,778	0	0	69,778	69,667	111
331	Transmission and Distribution Mains	23,216,835	357,767	9,252	23,565,350	12,657,813	10,907,537
333	Services	4,576,932	455,428	191,025	4,841,335	355,292	4,486,043
334	Meters and Meter Installations	1,726,782	38,943	18,365	1,747,359	1,042,041	705,319
335	Hydrants	635,771	7,259	532	642,498	284,087	358,411
336	Backflow Prevention Devices	15,855	0	0	15,855	4,330	11,525
339	Other Plant and Misc. Equipment	124,155	0	0	124,155	93,955	30,200
340	Office Furniture and Equipment	21,291	0	0	21,291	14,571	6,720
340.1	Computer & Software	183,925	1,348	1,114	184,158	80,435	103,724
341	Transportation Equipment	163,045	12,437	0	175,482	156,888	18,595
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	105,151	0	0	105,151	24,418	80,733
344	Laboratory Equipment	3,061	0	0	3,061	3,061	(1)
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	277,315	0	0	277,315	310,043	(32,727)
347	Miscellaneous Equipment	5,427	0	0	5,427	(7,584)	13,011
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$38,817,934	\$961,915	\$262,353	\$39,517,496	\$19,106,340	\$20,411,155

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.

Liberty Utilities (Rio Rico Water and Sewer) Corp
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/18

Depreciation Expense for the Current Year (Water)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	417	0	0	417	0	0.00%	0
303	Land and Land Rights	45,968	0	0	45,968	0	0.00%	0
304	Structures and Improvements	3,178,261	62,166	12,316	3,228,111	0	3.33%	106,666
305	Collecting & Improving Reservoirs	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	2.50%	0
307	Wells and Springs	549,813	0	0	549,813	0	3.33%	18,309
308	Infiltration Galleries	0	0	0	0	0	6.67%	0
309	Supply Mains	266,236	0	0	266,236	0	2.00%	5,325
310	Power Generation Equipment	217,195	0	0	217,195	0	5.00%	10,860
311	Pumping Equipment	2,322,437	21,196	28,833	2,314,800	0	12.50%	289,827
320	Water Treatment Equipment	1,114	0	0	1,114	0	3.33%	37
320.1	Water Treatment Plants	370,088	2,586	915	371,759	0	3.33%	12,352
320.2	Solution Chemical Feeders	50,331	2,786	0	53,117	0	20.00%	10,345
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	690,752	0	0	690,752	0	2.22%	15,335
330.2	Pressure Tanks	69,778	0	0	69,778	0	5.00%	3,489
331	Transmission and Distribution Mains	23,216,835	357,767	9,252	23,565,350	796,307	2.00%	353,098
333	Services	4,576,932	455,428	191,025	4,841,335	0	3.33%	156,814
334	Meters and Meter Installations	1,726,782	38,943	18,365	1,747,359	453,205	8.33%	106,946
335	Hydrants	635,771	7,259	532	642,498	0	2.00%	12,783
336	Backflow Prevention Devices	15,855	0	0	15,855	0	6.67%	1,058
339	Other Plant and Misc. Equipment	124,155	0	0	124,155	377	6.67%	8,256
340	Office Furniture and Equipment	21,291	0	0	21,291	9,577	6.67%	781
340.1	Computer & Software	183,925	1,348	1,114	184,158	100,013	20.00%	16,806
341	Transportation Equipment	163,045	12,437	0	175,482	137,067	20.00%	6,439
342	Stores Equipment	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	105,151	0	0	105,151	125	5.00%	5,251
344	Laboratory Equipment	3,061	0	0	3,061	3,061	10.00%	0
345	Power Operated Equipment	0	0	0	0	0	5.00%	0
346	Communication Equipment	277,315	0	0	277,315	15,813	10.00%	26,150
347	Miscellaneous Equipment	5,427	0	0	5,427	0	10.00%	543
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$38,817,934	\$961,915	\$262,353	\$39,517,496	\$1,515,545		\$1,167,468

Contribution(s) in Aid of Construction (Gross)	\$20,269,284
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$20,269,284</u>
Times: Proposed Amortization Rate	3.07%
Amortization of CIAC	\$632,717
Less: Amortization of CIAC	\$632,717
DEPRECIATION EXPENSE	\$534,751

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.

Liberty Utilities (Rio Rico Water and Sewer) Corp
Annual Report
Balance Sheet Assets
12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash		\$37,709	\$10,232
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		276,627	286,699
142	Other Accounts Receivable		0	0
143	Accumulated Provision for Uncollectable Accounts		(649)	(2,557)
146	Notes Receivable from Associated Companies		896,498	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,698	2,250
173	Accrued Utility Revenue		0	0
174	Miscellaneous Current and Accrued Assets		511,868	282,227
	Total Current and Accrued Assets		\$1,723,750	\$578,850
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$27,759	\$28,058
186.2	Other Deferred Debits		81,925	80,190
	Total Deferred Debits		\$109,684	\$108,248
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$38,817,934	\$39,517,496
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,022,322	2,072,739
108	Accumulated Depreciation (enter as negative)*		(18,201,225)	(19,106,340)
121	Non-Utility Property		1,176,671	1,148,904
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$22,815,703	\$23,632,797
	Total Assets		\$24,649,137	\$24,319,896

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

Liberty Utilities (Rio Rico Water and Sewer) Corp
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		(\$51)	\$231
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	(1,588,873)
235	Customer Deposits		360,038	454,938
236	Accrued Taxes		12,265	10,707
237	Accrued Interest		16,519	16,278
242	Miscellaneous Current and Accrued Liabilities		1,272,557	1,289,254
	Total Current Liabilities		\$1,661,328	\$182,533
	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		1,214,338	1,604,082
253	Other Deferred Credits		0	1,168,646
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		20,269,284	20,269,284
272	Less: Amortization of Contributions		(12,286,033)	(12,918,750)
281	Accumulated Deferred Income Tax		0	1,465,228
	Total Deferred Credits		\$9,197,589	\$11,588,489
	Total Liabilities		\$10,858,916	\$11,771,023
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		7,382,880	7,786,288
215	Retained Earnings		6,407,340	4,762,586
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$13,790,220	\$12,548,874
	Total Liabilities and Capital		\$24,649,137	\$24,319,896

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!

Liberty Utilities (Rio Rico Water and Sewer) Corp
Annual Report
Water Comparative Income Statement
12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$3,588,591	\$4,093,833
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	2,686	1,986
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	75,985	74,826
420	AFUDC Revenue	0	0
	Total Revenues	\$3,667,262	\$4,170,644
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	29,216	33,945
615	Purchased Power	340,463	361,245
616	Fuel for Power Production	0	0
618	Chemicals	22,310	13,223
620	Materials and Supplies	23,416	36,771
620.1	Repairs and Maintenance	0	0
620.2	Office Supplies and Expense	56,242	70,101
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	35,055	26,970
633	Contractual Services - Legal	252	803
634	Contractual Services - Management Fees	785,980	789,254
635	Contractual Services - Water Testing	11,992	8,745
636	Contractual Services - Other	678,595	528,353
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	7,746	7,948
650	Transportation Expenses	40,600	51,176
657	Insurance - General Liability	20,672	26,763
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	175
667	Regulatory Commission Expense - Other	25,141	975,028
670	Bad Debt Expense	(70,795)	0
675	Miscellaneous Expense	75,656	117,737
403	Depreciation Expense (From Schedule AR4)	534,751	(541,353)
408	Taxes Other Than Income	0	0
408.11	Property Taxes	182,125	180,834
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$2,799,418	\$2,687,717
	Operating Income / (Loss)	\$867,845	\$1,482,927
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(14,450)	(12,678)
	Total Other Income / (Expense)	(\$14,450)	(\$12,678)
	Net Income / (Loss)	\$853,394	\$1,470,249

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.

Liberty Utilities (Rio Rico Water and Sewer) Corp
 Annual Report
 Full time equivalent employees
 12/31/18

Full time equivalent employees

	Direct Company	Outside service	Total
President	0.0	0.1	0.1
Vice-president	0.0	0.0	0.0
Manager	0.0	0.8	0.8
Engineering Staff	0.0	0.3	0.3
System Operator(s)	0.0	6.1	6.1
Meter reader	0.0	0.0	0.0
Customer Service	0.0	3.6	3.6
Accounting	0.0	0.7	0.7
Business Office	0.0	0.4	0.4
Rates Department	0.0	0.2	0.2
Administrative Staff	0.0	0.2	0.2
Other	0.0	0.3	0.3
Total	0.0	12.7	12.7

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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Liberty Utilities (Rio Rico Water and Sewer) Corp
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/18

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:	\$353,994
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Meter Deposits Refunded During the Test Year:	\$26,042
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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:		RIO RICO UTILITIES INC.								
ADEQ Public Water System Number:		AZ0412011								
ADWR PCC Number:		91-000595.0000								
Well registry 55# (55-XXXXXX);	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Meter Size (inches)	How measured:	Active	
55-502579	200	1,100	650	16	turbine	1983	8	Metered	Yes	
55-619359	75	625	250	10	submersible	1985	6	Metered	Yes	
55-604302	20	0	unk	16	none	1972	2		no	
55-604364	75	625	251	10	submersible	1968	6	Metered	Yes	
55-604363	75	650	603	12	submersible	1970	8	Metered	Yes	
55-604366	20	0	unk	10	none	1967	2		no	
55-587292	200	975	605	16	turbine	2003	10	Metered	Yes	
55-206176	250	1,300	650	16	turbine	2005	10	Metered	Yes	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	

Name of system water delivered to:	RIO RICO UTILITIES INC.
ADWR PCC Number:	91-000595.0000
Source of water delivered to another system	

Name of system water received from:	
ADWR PCC Number:	
Source of water received	
Well registry 55# (55-XXXXXX):	

Month	Water withdrawn (acre ft) ¹	Water sold (acre ft) ²	Water delivered (sold) to other systems (acre ft) ³	Water received (purchased) from other systems (acre ft) ⁴	Estimated authorized use (acre ft) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	152.712	134.591	0	0	1.780	\$16,799	110,234
February	128.372	144.093	0	0	1.726	\$16,095	99,187
March	152.230	135.706	0	0	1.571	\$16,315	96,436
April	174.973	143.728	0	0	1.402	\$17,842	127,087
May	207.462	177.592	0	0	1.725	\$19,501	141,121
June	214.128	257.038	0	0	1.645	\$19,766	175,215
July	186.327	203.104	0	0	1.691	\$19,205	141,522
August	174.813	175.174	0	0	1.479	\$17,419	136,781
September	187.217	154.848	0	0	1.402	\$17,818	145,633
October	201.054	161.773	0	0	1.648	\$16,625	111,993
November	197.883	141.051	0	0	1.172	\$16,895	141,201
December	172.686	136.536	0	0	1.369	\$15,992	117,933
Totals	2,150	1,965	0	0	19	\$210,272	1,544,343

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 NA

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 Water withdrawn - Total acre feet of water withdrawn from pumped sources.
- 2 Water sold - Total acre feet from customer meters, and other sales such as construction water.
- 3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.
- 4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.
- 5 Estimated authorized use - Total estimated acre feet 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 (Continued)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	(6) Liquid Bleach Chlorination Systems.
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STRUCTURES:	2- 20'x20' storage sheds, 6 - 8'x8' chlorination buildings (at well sites)
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OTHER:	NA
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<p>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.</p>

Customer and Other Information	
Name of the System:	RIO RICO UTILITIES INC.
ADEQ Public Water System Number:	AZ0412011
ADWR PCC Number:	91-000595.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	6,678	0	249	0	55
February	6,682	0	249	0	55
March	6,687	0	249	0	56
April	6,698	0	249	0	56
May	6,701	0	249	0	56
June	6,710	0	249	0	56
July	6,725	0	251	0	55
August	6,733	0	251	0	55
September	6,743	0	251	0	55
October	6,743	0	251	0	56
November	6,746	0	250	0	56
December	6,753	0	250	0	56

total 7000

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?

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.

Liberty Utilities (Rio Rico Water and Sewer) Corp
Annual Report
Property Taxes
12/31/18

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2018 was	\$208,573
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If no property taxes paid, explain why.

NA

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.

RECEIVED

Verification and Sworn Statement (Taxes)

MAY 20 2019

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

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

County of (county name): Maricopa
Name (owner or official) title: Matthew Garlick, President
Company name: Liberty Utilities (Rio Rico Water and Sewer) Corp

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

FOR THE YEAR ENDING: 12/31/18

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.

Matthew Garlick

signature of owner/official

623-935-9367

telephone no.

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

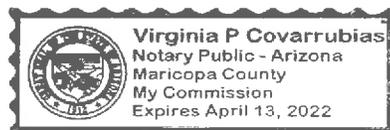
THIS 8th DAY OF

Maricopa
(county name)

May 2019
(month) and (year)

MY COMMISSION EXPIRES

April 13, 2022
(date)



Virginia P. Covarrubias
(signature of notary public)

Verification and Sworn Statement

RECEIVED

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Matthew Garlick, President

Company name: Liberty Utilities (Rio Rico Water and Sewer) Corp

MAY 20 2019

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: 12/31/18

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 (\$)

\$3,667,262

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

Matthew Garlick
signature of owner/official

623-935-9367
telephone no.

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

Maricopa
(county name)

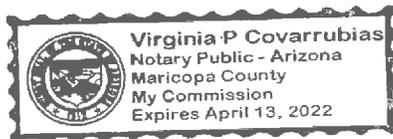
THIS 8th

DAY OF

May 2019
(month) and (year)

MY COMMISSION EXPIRES

April 13, 2022
(date)



Virginia P. Covarrubias
(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: Matthew Garlick, President
Company name: Liberty Utilities (Rio Rico Water and Sewer) Corp

RECEIVED
MAY 20 2019
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: 12/31/18

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 (\$)

\$2,901,056

(The amount in the box above includes

\$0 in sales taxes

billed or collected)

Matthew Garlick
signature of owner/official

623-935-9367

telephone no.

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

Maricopa
(county name)

THIS

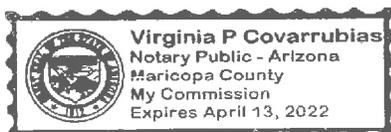
8th

DAY OF

May, 2019
(month) and (year)

MY COMMISSION EXPIRES

April 13, 2022
(date)



Virginia P. Covarrubias
(signature of notary public)

RECEIVED

JUN 17 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Company	Liberty Utilities (Rio Rico Water and Sewer) C		
Docket No.:	WS-02676A		
Name of the System:	RIO RICO UTILITIES INC.		
ADEQ Public Water System Number:			AZ0412011
ADWR PCC Number:			91-000595.0000

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	162	0
February	0	137	0
March	0	95	0
April	0	102	0
May	0	139	0
June	0	122	0
July	0	108	0
August	0	92	0
September	0	101	0
October	0	149	0
November	0	143	0
December	0	114	0
Total	0	1,464	0

Other (description):

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.