ANNUAL REPORT

Of

Company Name: Circle City Water Company, LLC
PO Box 82218

Mailing Address: Bakersfield 93380
CA

Docket No.: W-03510A
For the Year Ended: 12/31/16

RECEIVED
APR 25 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION – DIRECTOR’S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th
Email: rdelasfuente@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: Original Filing
Application Date: 2016

51-17
ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Circle City Water Company, LLC  
A Class E Utility

1. For the Calendar Year Ended: 12/31/16

2. Address:  
P.O. Box 82218  
City: Bakersfield  
State: California  
Zip Code: 93380

3. Telephone Number: 6616337526

4. Date of Original Organization of Utility: 9/1/1995

5. Person to whom correspondence should be addressed concerning this report:  
Name: Robert T. Hardcastle  
Telephone No.: 6616337526  
Address: P.O. Box 82218  
City: Bakersfield  
State: California  
Zip Code: 93380  
Email: RTH@brookeutilities.com

6. On-Site Manager:  
Name: Dale Allred  
Telephone No.: 9286673336  
Address: 9079 Riverside Dr.  
City: Parker  
State: Arizona  
Zip Code: 85344  
Email: DaleA@brookeutilities.com

7. Ownership: Limited Liability Company ("LLC")

8. Counties Served: Maricopa
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<th>Account No.</th>
<th>Description</th>
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Contribution(s) in Aid of Construction (Gross): $286,611
Less: Non Amortizable Contribution(s): 0
Fully Amortized Contribution(s): $280,607
Amortizable Contribution(s): $280,607
Times: Proposed Amortization Rate: 4.46%
Amortization of CIAC: 12510.87235

Less: Amortization of CIAC: 12510.87235

DEPRECIATION EXPENSE: $14,360

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

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**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*
## Balance Sheet Liabilities and Owners Equity

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<td><strong>Deferred Credits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>251</td>
<td>Unamortized Premium on Debt</td>
<td>$2,044</td>
<td>$7,209</td>
</tr>
<tr>
<td>252</td>
<td>Advances in Aid of Construction</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>255</td>
<td>Accumulated Deferred Investment Tax Credits</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>271</td>
<td>Contributions in Aid of Construction</td>
<td>286,611</td>
<td>286,611</td>
</tr>
<tr>
<td>272</td>
<td>Less: Amortization of Contributions</td>
<td>(61,814)</td>
<td>(75,843)</td>
</tr>
<tr>
<td>281</td>
<td>Accumulated Deferred Income Tax</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td><strong>Total Deferred Credits</strong></td>
<td><strong>$226,841</strong></td>
<td><strong>$217,977</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total Liabilities</strong></td>
<td><strong>$1,106,264</strong></td>
<td><strong>$1,099,152</strong></td>
</tr>
</tbody>
</table>

## Capital Accounts

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>201</td>
<td>Common Stock Issued</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>211</td>
<td>Other Paid-In Capital</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>215</td>
<td>Retained Earnings</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>218</td>
<td>Proprietary Capital (Sole Props and Partnerships)</td>
<td>(804,987)</td>
<td>(897,608)</td>
</tr>
<tr>
<td></td>
<td><strong>Total Capital</strong></td>
<td><strong>(804,987)</strong></td>
<td><strong>(897,608)</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total Liabilities and Capital</strong></td>
<td><strong>$301,277</strong></td>
<td><strong>$201,544</strong></td>
</tr>
</tbody>
</table>

**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.

**Note:** Total liabilities and Capital must match total assets for the beginning and end of the year!
## Water Comparative Income Statement

<table>
<thead>
<tr>
<th>Account No.</th>
<th>Calendar Year</th>
<th>Current Year 01/01/2016 - 12/31/2016</th>
<th>Last Year 01/01/2015 - 12/31/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operating Revenue</td>
<td>$57,349</td>
<td>$60,055</td>
</tr>
<tr>
<td>461</td>
<td>Metersed Water Revenue</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>460</td>
<td>Unmetered Water Revenue</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>462</td>
<td>Fire Protection Revenue</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>469</td>
<td>Guaranteed Revenues (Surcharges)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>471</td>
<td>Miscellaneous Service Revenues</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>474</td>
<td>Other Water Revenue</td>
<td>156</td>
<td>560</td>
</tr>
<tr>
<td></td>
<td>Total Revenues</td>
<td>$87,505</td>
<td>$60,615</td>
</tr>
<tr>
<td></td>
<td>Operating Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>601</td>
<td>Salaries and Wages</td>
<td>$11,683</td>
<td>$10,033</td>
</tr>
<tr>
<td>604</td>
<td>Employee Pensions and Benefits</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>610</td>
<td>Purchased Water</td>
<td>90,436</td>
<td>86,504</td>
</tr>
<tr>
<td>615</td>
<td>Purchased Power</td>
<td>10,806</td>
<td>10,005</td>
</tr>
<tr>
<td>618</td>
<td>Chemicals</td>
<td>615</td>
<td>0</td>
</tr>
<tr>
<td>620</td>
<td>Materials and Supplies</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>620.1</td>
<td>Repairs and Maintenance</td>
<td>1,457</td>
<td>4,904</td>
</tr>
<tr>
<td>620.2</td>
<td>Office Supplies and Expense</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>630</td>
<td>Contractual Services</td>
<td>9,171</td>
<td>7,433</td>
</tr>
<tr>
<td>631</td>
<td>Contractual Services - Engineering</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>632</td>
<td>Contractual Services - Accounting</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>633</td>
<td>Contractual Services - Legal</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>634</td>
<td>Contractual Services - Management Fees</td>
<td>4,333</td>
<td>0</td>
</tr>
<tr>
<td>635</td>
<td>Contractual Services - Water Testing</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>636</td>
<td>Contractual Services - Other</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>635</td>
<td>Water Testing</td>
<td>295</td>
<td>3,204</td>
</tr>
<tr>
<td>640</td>
<td>Rents</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>641</td>
<td>Rental of Building/Real Property</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>642</td>
<td>Rental of Equipment</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>650</td>
<td>Transportation Expenses</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>657</td>
<td>Insurance - General Liability</td>
<td>825</td>
<td>1,025</td>
</tr>
<tr>
<td>657.1</td>
<td>Insurance - Health and Life</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>665</td>
<td>Regulatory Commission Expense - Rate</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>675</td>
<td>Miscellaneous Expense</td>
<td>3,434</td>
<td>11,155</td>
</tr>
<tr>
<td>403</td>
<td>Depreciation Expense (From Schedule AR4)</td>
<td>14,360</td>
<td>15,192</td>
</tr>
<tr>
<td>408</td>
<td>Taxes Other Than Income</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>408.11</td>
<td>Property Taxes</td>
<td>2,728</td>
<td>3,301</td>
</tr>
<tr>
<td>409</td>
<td>Income Taxes</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Total Operating Expenses</td>
<td>$150,123</td>
<td>$152,754</td>
</tr>
<tr>
<td></td>
<td>Operating Income / (Loss)</td>
<td>($92,615)</td>
<td>($92,139)</td>
</tr>
<tr>
<td></td>
<td>Other Income / (Expense)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>419</td>
<td>Interest and Dividend Income</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>421</td>
<td>Non-Utility Income</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>426</td>
<td>Miscellaneous Non-Utility (Expense)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>427</td>
<td>Interest (Expense)</td>
<td>(3)</td>
<td>(3)</td>
</tr>
<tr>
<td></td>
<td>Total Other Income / (Expense)</td>
<td>($3)</td>
<td>($3)</td>
</tr>
<tr>
<td></td>
<td>Net Income / (Loss)</td>
<td>($92,621)</td>
<td>($92,142)</td>
</tr>
</tbody>
</table>

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.
## Supplemental Financial Data (Long-Term Debt)

<table>
<thead>
<tr>
<th></th>
<th>Loan #1</th>
<th>Loan #2</th>
<th>Loan #3</th>
<th>Loan #4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Date Issued</strong></td>
<td>1/0/1900</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Source of Loan</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>ACC Decision No.</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Reason for Loan</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Dollar Amt. Issued</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Amount Outstanding</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Date of Maturity</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Interest Rate</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Current Year Interest</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Current Year Principal</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Meter Deposit Balance at Test Year End:** $3,095

**Meter Deposits Refunded During the Test Year:** $0

_List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell._
### Water Utility Plant Description

**Name of the System:** Circle City  
**ADEQ Public Water System Number:** 07-112

### Wells

<table>
<thead>
<tr>
<th>ADWR ID No *</th>
<th>Pump Horsepower</th>
<th>Pump Yield (gpm)</th>
<th>Casing Depth (feet)</th>
<th>Casing Diameter (inches)</th>
<th>Pump Motor Type **</th>
<th>Meter Size (inches)</th>
<th>Year Dilled</th>
<th>Arsenic Level (mg/L)</th>
</tr>
</thead>
<tbody>
<tr>
<td>55-625088</td>
<td>5</td>
<td>75</td>
<td>787</td>
<td>8</td>
<td>submersible</td>
<td>3</td>
<td>1960</td>
<td>0</td>
</tr>
</tbody>
</table>

### Other Water Sources

<table>
<thead>
<tr>
<th>Name or Description</th>
<th>Capacity (gpm)</th>
<th>Gallons Purchased or Obtained (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Booster Pumps

<table>
<thead>
<tr>
<th>Horsepower</th>
<th>GPM</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>100</td>
<td>2</td>
</tr>
</tbody>
</table>

### Fire Hydrants

<table>
<thead>
<tr>
<th>Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

### Storage Tanks

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Material</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000</td>
<td>steel</td>
<td>1</td>
</tr>
<tr>
<td>25,000</td>
<td>steel</td>
<td>3</td>
</tr>
</tbody>
</table>

### Pressure/Bladder Tanks

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,000</td>
<td>1</td>
</tr>
</tbody>
</table>

**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.

* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

** Pump motor type, turbine or submersible.

*** 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)

<table>
<thead>
<tr>
<th>Sizes (inches)</th>
<th>Material</th>
<th>Length (feet)</th>
<th>Customer Meters</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>ACP, PVC</td>
<td>140, 1330</td>
<td>5/8 X 3/4</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td>3/4</td>
</tr>
<tr>
<td>4</td>
<td>ACP, PVC</td>
<td>200, 4230</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td>1 1/2</td>
</tr>
<tr>
<td>6</td>
<td>ACP, C900</td>
<td>12,085</td>
<td>Compound 2</td>
</tr>
<tr>
<td>8</td>
<td>ACP, C900</td>
<td>1,000</td>
<td>Turbine 2</td>
</tr>
<tr>
<td>10</td>
<td>ACP, C900</td>
<td>2,000</td>
<td>Compound 3</td>
</tr>
<tr>
<td>12</td>
<td></td>
<td></td>
<td>Turbine 3</td>
</tr>
</tbody>
</table>

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

#### TREATMENT EQUIPMENT:
- 1- Regal Model 13-208 clarifier

#### STRUCTURES:
- 1- panel with tin roof, welded steel construction with 2- 6" concrete legs; 81X169X122X194 6 ft. chain link security fence

#### OTHER:
- 1-T100G remote tank monitoring device

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

<table>
<thead>
<tr>
<th>Month</th>
<th>Number of Customers</th>
<th>Gallons Sold (thousands)</th>
<th>Gallons Pumped (thousands)</th>
<th>Gallons Purchased (thousands)</th>
<th>Estimated Gallons Authorized Use (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>188</td>
<td>2,004</td>
<td>1,842</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>February</td>
<td>187</td>
<td>1,264</td>
<td>1,177</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>March</td>
<td>190</td>
<td>1,035</td>
<td>952</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>April</td>
<td>190</td>
<td>1,259</td>
<td>1,163</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>May</td>
<td>190</td>
<td>1,214</td>
<td>1,101</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>June</td>
<td>187</td>
<td>1,377</td>
<td>1,264</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>July</td>
<td>187</td>
<td>1,808</td>
<td>1,668</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>August</td>
<td>187</td>
<td>1,345</td>
<td>1,232</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>September</td>
<td>188</td>
<td>1,334</td>
<td>1,227</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>October</td>
<td>189</td>
<td>1,460</td>
<td>1,324</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>November</td>
<td>190</td>
<td>1,190</td>
<td>1,128</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>December</td>
<td>190</td>
<td>2,063</td>
<td>1,901</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>17,353</strong></td>
<td><strong>15,979</strong></td>
<td></td>
<td>0</td>
<td><strong>40</strong></td>
</tr>
</tbody>
</table>

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

Does the system have chlorination treatment? [ ] Yes

Is the Water Utility located in an ADWR Active Management Area (AMA)? [ ] Yes

If yes, which AMA? Phoenix AMA

Does the Company have an ADWR Gallons Per Capita Per Day (GCP/CPD) requirement? [ ] No

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

All water consumption related to infrastructure repairs (amount unknown); flushing (approx. 6,000 gallons); all other uses approx. 1,000 gallons.

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

1 Gallons sold - Total gallons from customer meters.
2 Gallons pumped - Total gallons from pumped sources.
3 Gallons purchased - Total gallons purchased from other sources.
4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.
## Monthly Consumption Report
### December 31st, 2016
---
**Figures Expressed in Gallons**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Circle City Water:</td>
<td>Circle City Water</td>
<td>17-CC</td>
<td>2,000,144</td>
<td>1,264,490</td>
<td>1,035,885</td>
<td>1,259,290</td>
<td>1,214,420</td>
<td>1,377,798</td>
<td>1,206,529</td>
<td>1,345,491</td>
<td>1,384,299</td>
<td>1,450,787</td>
<td>1,190,071</td>
<td>2,028,709</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td>2,000,144</td>
<td>1,264,490</td>
<td>1,035,885</td>
<td>1,259,290</td>
<td>1,214,420</td>
<td>1,377,798</td>
<td>1,206,529</td>
<td>1,345,491</td>
<td>1,384,299</td>
<td>1,450,787</td>
<td>1,190,071</td>
<td>2,028,709</td>
</tr>
</tbody>
</table>
Circle City Water Company, LLC  
Annual Report  
Utility Shutoffs / Disconnects  
12/31/16

<table>
<thead>
<tr>
<th>ADEQ System No.:</th>
<th>07-112</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Month</th>
<th>Termination without Notice R14-2-410.B</th>
<th>Termination with Notice R14-2-410.C</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>4</td>
<td>5</td>
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<tr>
<td>March</td>
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<td>1</td>
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<tr>
<td>April</td>
<td>5</td>
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<tr>
<td>May</td>
<td>4</td>
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<tr>
<td>June</td>
<td>6</td>
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<tr>
<td>July</td>
<td>7</td>
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<tr>
<td>August</td>
<td>9</td>
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<tr>
<td>September</td>
<td>4</td>
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<tr>
<td>October</td>
<td>3</td>
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<tr>
<td>November</td>
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</tr>
<tr>
<td>December</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>53</td>
<td>0</td>
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Other (description): 1

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

Verification: State of: California
County of (county name): 0
Name (owner or official) title: Robert T. Hardcastle, Managing Member
Company name: Circle City Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/16

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.

signature of owner/official
6616333526
telephone no.

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

KERN

THIS 10TH DAY OF APRIL 2017

MY COMMISSION EXPIRES

PRISILLA ESPERCUERA
Commission # 2101834
Notary Public - California
Kern County
My Comm. Expires Feb 22, 2019
Verification and Statement

Verification:

State of California, the undersigned of the

County of (county name):
Name (owner or official) title: Robert T. Hardcastle, Managing Member
Company name: Circle City Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/16

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 HEREBIN 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 ($): $57,505
(The amount in the box above includes $0 in sales taxes billed or collected)

signature of owner, official

661637526

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY OF KERN, THIS 10TH DAY OF APRIL, 2017

MY COMMISSION EXPIRES FEB. 22, 2019

(signature of notary public)
Verification and Statement (Residential Revenue)

Verification:

State of: California, the undersigned of the (state name)

County of (county name):
Name (owner or official) title: Robert T. Horscule, Managing Member
Company name: Circle City Water Company, LLC

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

FOR THE YEAR ENDING: 12/31/16

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 HEREBIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

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<tr>
<th>Arizona Intrastate Gross Operating Revenues Only ($)</th>
<th>897,505</th>
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</thead>
<tbody>
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<td>(The amount in the box above includes)</td>
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</tr>
<tr>
<td>$0 in sales taxes</td>
<td></td>
</tr>
<tr>
<td>billed or collected</td>
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</tr>
</tbody>
</table>

signature of owner/official

66,033,5746

telephone no.

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

Kern

THIS 10TH DAY OF APRIL 2017

MY COMMISSION EXPIRES 2019

(signature of notary public)