

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

C
W - 20541A
CEDAR GROVE WATER, INC. PO BOX 1270 SHOW LOW, AZ 85902

RECEIVED
APR 16 2009
ARIZONA CORPORATION
DIRECTOR OFFICE

ANNUAL REPORT
WATER

FOR YEAR ENDING

12	31	2008
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FOR COMMISSION USE

ANN 04	08
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PROCESSED BY:

4-17-09

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u> CEDAR GROVE WATER, INC.</u>			
Mailing Address <u> PO BOX 1270</u>			
(Street)			
<u> SHOW LOW</u>	<u> AZ</u>	<u> 85902</u>	
(City)	(State)	(Zip)	
<u> 928-537-8739</u>	<u> 928-537-1245</u>	<u> N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u> WATERCOS@GMAIL.COM</u>			
Local Office Mailing Address <u> SAME AS ABOVE</u>			
(Street)			
<u> N/A</u>	<u> N/A</u>	<u> N/A</u>	
(City)	(State)	(Zip)	
<u> N/A</u>	<u> N/A</u>	<u> N/A</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u> N/A</u>			

MANAGEMENT INFORMATION

Management Contact: <u> THOMAS GRAPP</u>		<u> GENERAL MANAGER</u>	
(Name)		(Title)	
<u> PO BOX 1270</u>	<u> SHOW LOW</u>	<u> AZ</u>	<u> 85902</u>
(Street)	(City)	(State)	(Zip)
<u> 928-537-8739</u>	<u> 928-537-1245</u>	<u> N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u> WATERCOS@GMAIL.COM</u>			
On Site Manager: <u> SAME AS ABOVE</u>			
(Name)			
<u> N/A</u>	<u> N/A</u>	<u> N/A</u>	<u> N/A</u>
(Street)	(City)	(State)	(Zip)
<u> N/A</u>	<u> N/A</u>	<u> N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u> N/A</u>			

Statutory Agent: N/A

 (Name)

 N/A N/A N/A N/A
 (Street) (City) (State) (Zip)

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

Attorney: N/A

 (Name)

 N/A N/A N/A N/A
 (Street) (City) (State) (Zip)

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

Email Address N/A

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 checked="" 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 type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,000	0	1,000
302	Franchises	500	0	500
303	Land and Land Rights	1,000	0	1,000
304	Structures and Improvements	9,647	2,906	6,741
307	Wells and Springs	19,955	6,649	13,306
311	Pumping Equipment	22,610	22,610	0
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	97,856	17,576	80,280
331	Transmission and Distribution Mains	548,027	79,048	468,979
333	Services	37,449	20,727	16,722
334	Meters and Meter Installations	14,315	3,724	10,591
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	891	891	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	753,250	154,131	599,119

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



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,000	0	0
302	Franchises	500	0	0
303	Land and Land Rights	1,000	0	0
304	Structures and Improvements	9,647	3.33	321
307	Wells and Springs	19,955	3.33	665
311	Pumping Equipment	22,610	0	0
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	97,856	2.22	2,172
331	Transmission and Distribution Mains	548,027	2	10,961
333	Services	37,449	3.33	1,247
334	Meters and Meter Installations	14,315	3.33	477
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	891	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	753,250	0	15,843

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

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$0	\$0
134	Working Funds	3,688	1,713
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	2,537	10,624
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$8,307	\$12,337
	FIXED ASSETS		
101	Utility Plant in Service	\$730,709	\$753,250
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	138,288	154,131
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$592,421	\$599,119
	TOTAL ASSETS	\$600,728	\$611,456

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

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$0	\$1,195
232	Notes Payable (Current Portion)	9,705	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	26,754	20,175
236	Accrued Taxes	0	0
237	Accrued Interest	0	5,680
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$36,459	\$27,050
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$94,686	\$89,670
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	400,044	409,491
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	64,744	73,735
272	Less: Amortization of Contributions	5,531	7,006
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$459,257	\$490,232
	TOTAL LIABILITIES	\$590,402	\$606,952
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$0	\$0
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	10,326	4,504
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$10,326	\$4,504
	TOTAL LIABILITIES AND CAPITAL	\$600,728	\$611,456

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$136,695	\$147,918
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	7,265	700
	TOTAL REVENUES	\$143,960	\$148,618
	OPERATING EXPENSES		
601	Salaries and Wages	\$65,477	\$64,897
610	Purchased Water	0	0
615	Purchased Power	16,807	13,713
618	Chemicals	0	0
620	Repairs and Maintenance	3,168	4,980
621	Office Supplies and Expense	6,751	6,819
630	Outside Services	6,380	2,967
635	Water Testing	1,773	1,701
641	Rents	18,268	11,183
650	Transportation Expenses	7,021	14,632
657	Insurance – General Liability	2,669	3,434
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense – Rate Case	0	0
675	Miscellaneous Expense	4,820	863
403	Depreciation Expense	15,337	15,983
408	Taxes Other Than Income	7,946	8,501
408.11	Property Taxes	2,778	3,767
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$159,195	\$153,440
	OPERATING INCOME/(LOSS)	\$(15,235)	\$(4,822)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	(230)	(4,864)
	TOTAL OTHER INCOME/(EXPENSE)	\$(230)	\$(4,864)
	NET INCOME/(LOSS)	\$(15,465)	\$(9,686)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	09-01-2001	N/A	N/A	N/A
Source of Loan	WIFA	N/A	N/A	N/A
ACC Decision No.	63673	N/A	N/A	N/A
Reason for Loan	CONSTRUCTION	N/A	N/A	N/A
Dollar Amount Issued	\$120,000	N/A	N/A	N/A
Amount Outstanding	\$89,670	N/A	N/A	N/A
Date of Maturity	09-01-2021	N/A	N/A	N/A
Interest Rate	5.075%	N/A	N/A	N/A
Current Year Interest	\$1,917	N/A	N/A	N/A
Current Year Principle	\$5,015	N/A	N/A	N/A

Meter Deposit Balance at Test Year End \$5,255

Meter Deposits Refunded During the Test Year \$1,716

COMPANY NAME CEDAR GROVE WATER, INC.
Name of System: SAME AS ABOVE ADEQ Public Water System Number: 01049

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-550075	5	31.5	440	6 & 5	1	1985
55-504679	5	31.5	400	6	2	1983
55-087623	5	11.5	860	6	1	1981
55-566375	7.5	0	544	6	1.5	1998
55-808434	5	31.5	UNKNOWN	6 & 5	1	UNKNOWN

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	10	11	N/A

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	1,000	1
12,500	1	2,000	1
15,000	1		
50,000	1		
300,000	1		

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

COMPANY NAME CEDAR GROVE WATER, INC.

Name of System: SAME AS ABOVE

ADEQ Public Water System Number: 01049

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	2,760
3		
4		
5		
6	PVC	91,756
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	362
3/4	
1	
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

12' X 12' BUILDING

6' X 6' BUILDING

20' X 30' BUILDING

24' X 24' BUILDING

4' X 8' BUILDING

OTHER:

N/A

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

COMPANY NAME: CEDAR GROVE WATER, INC.	
Name of System: SAME AS ABOVE	ADEQ Public Water System Number: 01049

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2008

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	356	1,458,660	1,485,670	0
FEBRUARY	357	1,307,210	1,109,240	0
MARCH	357	954,830	1,340,590	0
APRIL	358	1,261,130	2,193,030	0
MAY	358	2,094,800	2,295,130	0
JUNE	361	2,172,430	2,228,330	0
JULY	362	2,091,860	1,844,490	0
AUGUST	360	1,967,470	1,734,670	0
SEPTEMBER	361	1,448,630	1,682,820	0
OCTOBER	360	1,570,050	1,329,800	0
NOVEMBER	358	1,191,830	1,032,630	0
DECEMBER	357	889,780	1,306,550	0
TOTALS →		18,408,680	19,582,950	0

What is the level of arsenic for each well on your system? SEE BELOW mg/l

(If more than one well, please list each separately.)

POE #1. <.001 POE #2. <.0003 POE #3. .004 POE #4. <.001 POE #5. <.0003

If system has fire hydrants, what is the fire flow requirement? N/A GPM for N/A hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

Yes No

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

Yes No

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

Yes No

If yes, provide the GPCPD amount: N/A

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

COMPANY NAME: CEDAR GROVE WATER, INC.
Name of System: SAME AS ABOVE ADEQ Public Water System Number: 01049

UTILITY SHUTOFFS / DISCONNECTS

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	11	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	11	0

OTHER (description):

N/A

COMPANY NAME CEDAR GROVE WATER, INC.

YEAR ENDING **12/31/2008**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2008 was: \$ 3,767.22

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. N/A

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

APR 16 2009

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) APACHE	APACHE CORP COMM Director Utilities
NAME (OWNER OR OFFICIAL) TITLE THOMAS E. GRAPP GENERAL MANAGER	
COMPANY NAME CEDAR GROVE WATER, 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	2008

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 OR OFFICIAL

(928) 537-8739

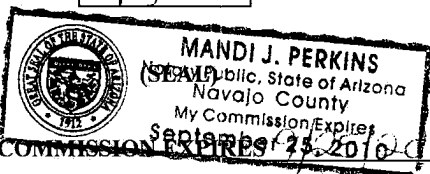
TELEPHONE NUMBER

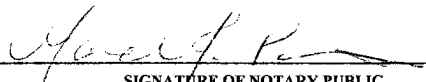
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS DAY OF

MAND. J. Perkins	
COUNTY NAME	NAVAJO
MONTH	April 2009





SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 25-2010

COMPANY NAME CEDAR GROVE WATER, INC. YEAR ENDING 12/31/2008

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

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

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.

Thomas E. Grapp
SIGNATURE

April 15, 2009
DATE

THOMAS E. GRAPP
PRINTED NAME

GENERAL MANAGER
TITLE

RECEIVED
APR 16 2009

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) APACHE
NAME (OWNER OR OFFICIAL) TITLE THOMAS E. GRAPP GENERAL MANAGER
COMPANY NAME CEDAR GROVE WATER, INC.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2008 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>148,618</u>

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 8,501
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)**

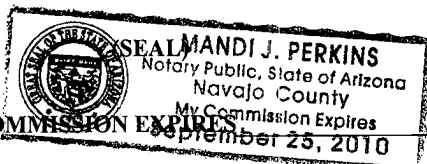
Thomas Grapp

SIGNATURE OF OWNER OR OFFICIAL
(928) 537-8739

TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 15 DAY OF**

MAND. J. Perkins	
COUNTY NAME NAVAJO	
MONTH April	2009



MY COMMISSION EXPIRES

9/25/2010

Mandi J. Perkins

SIGNATURE OF NOTARY PUBLIC

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

RECEIVED

APR 16 2009

ARIZONA CORP COMM
Director Office

VERIFICATION

STATE OF ARIZONA

<small>COUNTY OF (COUNTY NAME)</small> APACHE	
<small>NAME (OWNER OR OFFICIAL)</small> THOMAS E. GRAPP	<small>TITLE</small> GENERAL MANAGER
<small>COMPANY NAME</small> CEDAR GROVE WATER, INC.	

**I, THE UNDERSIGNED
OF THE**

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

FOR THE YEAR ENDING

<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
12	31	2008

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2008 WAS:

<small>ARIZONA INTRASTATE GROSS OPERATING REVENUES</small>
\$ 148,618

**THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 8,501
IN SALES TAXES BILLED, OR COLLECTED)**

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

Thomas E. Grapp

SIGNATURE OF OWNER OR OFFICIAL

(928) 537-8739

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15

DAY OF

<small>NOTARY PUBLIC NAME</small> Mandi J. Perkins	
<small>COUNTY NAME</small> NAVAJO	
<small>MONTH</small> Apr. 1	<small>YEAR</small> 2009

(SEAL)

MANDI J. PERKINS
Notary Public, State of Arizona
Navajo County
MY COMMISSION EXPIRES
September 25, 2010

X

Mandi J. Perkins

SIGNATURE OF NOTARY PUBLIC

9/25/2010

2008 PROPERTY TAX NOTICE

Apache County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2008 TAX SUMMARY	
901-60-900 1	0900	5.6630	1.9107		PRIMARY PROPERTY TAX	2,605.03
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
LIMITED LAND, BLDGS, ETC	0	23.0	0	0	NET PRIMARY PROPERTY TAX	2,605.03
LIMITED PERSONAL PROPERTY	0	0.0	0	0	SECONDARY PROPERTY TAX	878.92
LIMITED TOTALS	0		0	0	SPECIAL DISTRICT TAX	0.00
FULL CASH LAND	0	0.0	3,137	0	TOTAL TAX DUE FOR 2008	3,483.95
FULL CASH BUILDINGS, ETC	0	0.0	531	0		
FULL CASH PERSONAL PROPERTY	0	0.0	0	0		
FULL CASH TOTALS	0		3,668	0		

ACREAGE: .00

0000002

SITUS ADDRESS:

LEGAL DESCRIPTION:

TOTAL VALUE OF OPERATING PROPERTY 106-53-009-N 13,637

JURISDICTION	2007 TAXES	2008 TAXES
02000 Apache County	557.34	613.23
05009 Vernon Elem SD #9	2,483.35	2,392.00
11900 Fire Dis Assis Fund	36.70	42.27
14900 Apache Cty Lib Dis	143.49	130.09
14901 Library Const Bond	68.64	63.89
15000 Apache Cty Fld Cont	3.42	32.02
28000 Apache Cty Jail Dis	84.49	92.00
28002 Ap Cty Juv Jail Dis	42.24	46.00
29999 Public Health Dis	52.51	72.45

This is the only notice you will receive.

Katherine D. Arviso
 Apache County Treasurer
 PO Box 699
 St. Johns AZ 85936-0699

PAID

Check # 2268
 Date DEC - 4 2008
 Pd in full

**THIS IS A
 CALENDAR YEAR
 TAX NOTICE**

TOTALS 3,472.18

3,483.95

901-60-900 1



0007496 01 AV 0.324 **AUTO TO 0 0784 85902-127070

PAGE 0001 OF 0001 00008991

CEDAR GROVE WATER
 ATTN: MARK GRAPP
 P O BOX 1270
 SHOW LOW AZ 85902-1270

PAYMENT INSTRUCTIONS

To pay the 1st half installment and full year tax notices of \$100 or less, send the 1st half coupon with your payment postmarked no later than Nov. 3, 2008. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2009. To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2008 and no interest will be charged for current year.

Make your check payable to and mail to:
 Katherine D. Arviso
 Apache County Treasurer
 PO Box 699
 St. Johns AZ 85936-0699

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PLEASE INCLUDE YOUR PARCEL NUMBER ON YOUR CHECK.

2008 PROPERTY TAX NOTICE

Apache County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2008 TAX SUMMARY	
106-52-014S 7	0902	5.6630	3.6614		PRIMARY PROPERTY TAX	109.24
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
LIMITED LAND, BLDGS, ETC	12,054	16.0	1,929	0	NET PRIMARY PROPERTY TAX	109.24
LIMITED PERSONAL PROPERTY	0	0.0	0	0	SECONDARY PROPERTY TAX	96.66
LIMITED TOTALS	12,054		1,929	0	SPECIAL DISTRICT TAX	0.00
FULL CASH LAND	16,500	16.0	2,640	0	TOTAL TAX DUE FOR 2008	205.90
FULL CASH BUILDINGS, ETC	0	0.0	0	0		
FULL CASH PERSONAL PROPERTY	0	0.0	0	0		
FULL CASH TOTALS	16,500		2,640	0		

ACREAGE: .75

JURISDICTION	2007 TAXES	2008 TAXES
02000 Apache County	14.20	31.90
05009 Vernon Elem SD #9	57.26	100.31
11620 Vernon FD	19.83	46.20
11900 Fire Dis Assis Fund	0.98	2.43
14900 Apache Cty Lib Dis	3.85	7.47
14901 Library Const Bond	1.84	3.67
15000 Apache Cty Fld Cont	1.03	1.84
28000 Apache Cty Jail Dis	2.27	5.28
28002 Ap Cty Juv Jail Dis	1.13	2.64
29999 Public Health Dis	1.41	4.16

0010729
SITUS ADDRESS:

LEGAL DESCRIPTION:
SEC 15 T10N R24E BEG S4 COR W 330.07' THENCE N 4 30.23' TO POB THENCE N 232' W 141' S 232' E 141' TO POB.

This is the only notice you will receive.

Katherine D. Arviso
Apache County Treasurer
PO Box 699
St. Johns AZ 85936-0699

**THIS IS A
CALENDAR YEAR
TAX NOTICE**

Warehouse **PAID** Check # 2270
Date

PAID IN FULL

DEC - 4 2008

TOTALS 103.80 205.90

PAYMENT INSTRUCTIONS

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Katherine D. Arviso
Apache County Treasurer
PO Box 699
St. Johns AZ 85936-0699

PLEASE INCLUDE YOUR
PARCEL NUMBER
ON YOUR CHECK.

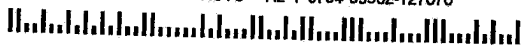
THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

106-52-014S 7



0007871 01 AV 0.324 **AUTO H2 1 0784 85902-127070

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GRAPP MARK E SR & BARBARA L
PO BOX 1270
SHOW LOW AZ 85902-1270

2008 PROPERTY TAX NOTICE

Apache County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2008 TAX SUMMARY		
106-52-014R 8	0902	5.6626	3.6609		PRIMARY PROPERTY TAX	37.43	
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00	
LIMITED LAND, BLDGS, ETC	4,133	16.0	661	0	5.6626	37.43	
LIMITED PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00	
LIMITED TOTALS	4,133		661	0		37.43	
FULL CASH LAND	6,820	16.0	1,091	0	3.6609	39.94	
FULL CASH BUILDINGS, ETC	0	0.0	0	0	0.0000	0.00	
FULL CASH PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00	
FULL CASH TOTALS	6,820		1,091	0		39.94	
ACREAGE: .31					TOTAL TAX DUE FOR 2008		77.37

0010728

SITUS ADDRESS:

JURISDICTION

02000 Apache County
05009 Vernon Elem SD #9
11620 Vernon FD
11900 Fire Dis Assis Fund
14900 Apache Cty Lib Dis
14901 Library Const Bond
15000 Apache Cty Fld Cont
28000 Apache Cty Jail Dis
28002 Ap Cty Juv Jail Dis
29999 Public Health Dis

2007 TAXES	2008 TAXES
7.55	12.55
30.45	34.37
10.54	19.09
0.52	1.00
2.04	3.09
0.98	1.52
0.55	0.76
1.20	2.18
0.60	1.09
0.75	1.72

LEGAL DESCRIPTION:

COM S4 COR OF SEC 15 T10N R24E W 330.07' N 487.2
3' TO POB CONTIN N 12.77' E 20' N 20' W 20' N 142
.23' E 80' S 175' W 80' TO POB.

This is the only notice you will receive.

Katherine D. Arviso
Apache County Treasurer
PO Box 699
St. Johns AZ 85936-0699

THIS IS A
CALENDAR YEAR
TAX NOTICE

PAID

Check # 7269
Date DEC - 4 2008

Pd in FULL

TOTALS 55.18 77.37



106-52-014R 8

0007677 01 AV 0.324 **AUTO T1 0 0764 85902-127070

PAGE 0001 OF 0001 00009172

GRAPP MARK & BARBARA (CPWROS)
PO BOX 1270
SHOW LOW AZ 85902-1270

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