

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02060A Cordes Lakes Water Company PO Box 219 Tempe, AZ 85280	C	RECEIVED APR 13 2009 ARIZONA CORPORATION COMMISSION UTILITIES
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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:

4-1309

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Cordes Lakes Water Co.</u>			
Mailing Address <u>PO Box 219</u>			
<u>Tempe</u> (City)	<u>AZ</u> (State)	<u>85280</u> (Zip)	
<u>480-966-5804</u> Telephone No. (Include Area Code)	<u>480-967-7857</u> Fax No. (Include Area Code)	<u>—</u> Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>PO Box 219</u>			
<u>Tempe</u> (City)	<u>AZ</u> (State)	<u>85280</u> (Zip)	
<u>480-966-5804</u> Local Office Telephone No. (Include Area Code)	<u>480-967-7857</u> Fax No. (Include Area Code)	<u>—</u> Cell No. (Include Area Code)	
Email Address <u>azwwequestoffice.net</u>			

MANAGEMENT INFORMATION

Management Contact: _____			
(Name)		(Title)	
_____	_____	_____	_____
(Street)	(City)	(State)	(Zip)
_____	_____	_____	_____
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: _____			
(Name)			
_____	_____	_____	_____
(Street)	(City)	(State)	(Zip)
_____	_____	_____	_____
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: Neil Folkman
 (Name)

2501 E. Palo Verde Phoenix AZ 85016
 (Street) (City) (State) (Zip)

480-966-5804 480-967-7857
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address azwwequestoffice.net

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input 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 type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input checked="" type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	35,665	0	35,665
304	Structures and Improvements	6,657	665	5,992
307	Wells and Springs	167,348	14,774	152,574
311	Pumping Equipment	26,588	5,963	20,625
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	141,632	9,238	132,394
331	Transmission and Distribution Mains	15,099	880	14,219
333	Services			
334	Meters and Meter Installations	66,154	13,550	52,604
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	59,315	11,180	48,135
340	Office Furniture and Equipment	4,490	898	3,592
341	Transportation Equipment	69,049	41,430	27,619
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	591,997	98,578	493,419

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

COMPANY NAME

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	35,665	0	0
304	Structures and Improvements	6,657	3.33	221.68
307	Wells and Springs	167,348	3.33	5,572.69
311	Pumping Equipment	26,588	12.50	3,323.50
320	Water Treatment Equipment	1		
330	Distribution Reservoirs and Standpipes	141,632	2.22	3144.23
331	Transmission and Distribution Mains	15,099	2.22	335.20
333	Services			
334	Meters and Meter Installations	66,154	8.30	5490.78
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	59,315	6.67	3,956.31
340	Office Furniture and Equipment	4,490	6.67	299.48
341	Transportation Equipment	69,049	20.0	13,809.80
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	591,997	96.578	36,153.67

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

COMPANY NAME

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
CURRENT AND ACCRUED ASSETS			
131	Cash	\$ 33,908	\$ 11,441
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 33,908	\$ 11,441
FIXED ASSETS			
101	Utility Plant in Service	\$ 1,489,738	\$ 591,997
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	< 1,125,679 >	< 96,578 >
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 364,059	\$ 495,419
	TOTAL ASSETS	\$ 397,967	\$ 506,860

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

Please Note: Assets were adjusted to values determined in the rate decision dated March 2008.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 13,952	\$ 14,570
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	61,245	61,383
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 75,197	\$ 75,959
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	79,367	79,369
272	Less: Amortization of Contributions	<19,410>	<23,865>
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 59,959	\$ 55,774
	TOTAL LIABILITIES	\$ 135,156	\$ 131,733
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100,000	\$ 100,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	162,811	275,127
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 397,967	\$ 506,860

Please note: Liabilities were adjusted to values determined in the rate decision dated March 2008.

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 354,422	\$ 434,697
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 354,422	\$ 434,697
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 163,243	\$ 151,634
610	Purchased Water		
615	Purchased Power	20,881	27,215
618	Chemicals		
620	Repairs and Maintenance	19,999	14,777
621	Office Supplies and Expense	21,489	23,775
630	Outside Services	38,781	28,676
635	Water Testing	7,998	9,097
641	Rents	39,900	40,500
650	Transportation Expenses	13,825	15,941
657	Insurance – General Liability	7,303	7,452
659	Insurance - Health and Life	33,664	39,543
666	Regulatory Commission Expense – Rate Case	6,000	45
675	Miscellaneous Expense	23,295	23,225
403	Depreciation Expense	43,958	36,154
408	Taxes Other Than Income	24,604	32,359
408.11	Property Taxes	18,133	15,595
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 483,073	\$ 465,988
	OPERATING INCOME/(LOSS)	\$ <104,513>	\$ <31,291>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 4,685	\$
421	Non-Utility Income		4,185
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	<3,987>	<5,525>
	TOTAL OTHER INCOME/(EXPENSE)	\$ 698	\$ <1,340>
	NET INCOME/(LOSS)	\$ <103,815>	\$ <32,631>

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 34,300

Meter Deposits Refunded During the Test Year

\$ 12,620

COMPANY NAME

Name of System:

ADEQ Public Water System Number:

AZ04-13023

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-690346	7½	214	404	14	3	1972
55-518196	7½	200	500	8	3	
55-609234	2	50	555	6	3	
55-609347	7½	215	500	12	3	
55-565855	7½	310	343	10	3	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7½	8		
5	5		
10	2		
2½	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
45,000	2	5000	4
30,000	2		
16,000	1	3000	1
100,000	1		

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

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	168,100
5		
6	PVC	234,000
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	1384
1	5
1 1/2	
2	1
Comp. 3	
Turbo 3 (well)	6
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: Emergency Chlorinators

STRUCTURES: Pump Houses - Concrete Block or Wood at each well site.

OTHER:

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

COMPANY NAME:	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2008

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1332	5026	5969	
FEBRUARY	1333	4712	5510	
MARCH	1325	5889	6652	
APRIL	1326	6546	7377	
MAY	1328	6211	8174	
JUNE	1328	7611	9916	
JULY	1330	7061	8664	
AUGUST	1329	7145	8365	
SEPTEMBER	1329	6078	7648	
OCTOBER	1319	5957	2043	
NOVEMBER	1318	5129	6254	
DECEMBER	1310	4139	5112	
TOTALS →		21,504	86,684	

What is the level of arsenic for each well on your system? 3 ^{PPG} _{mg/l}
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ 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: _____

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

COMPANY NAME:	
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	4	
FEBRUARY	0	6	
MARCH	0	3	
APRIL	0	4	
MAY	0	4	
JUNE	0	5	
JULY	0	3	
AUGUST	0	4	
SEPTEMBER	0	6	
OCTOBER	0	6	
NOVEMBER	0	0	
DECEMBER	0	0	
TOTALS →	0	45	

OTHER (description):

COMPANY NAME _____

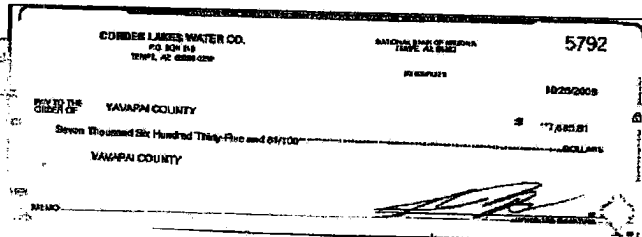
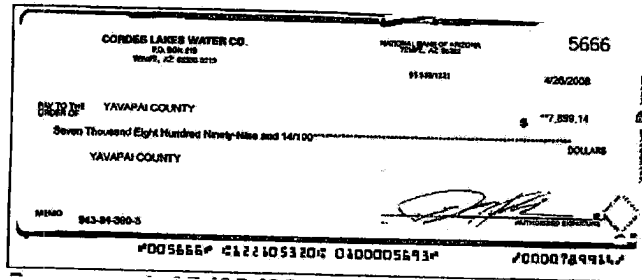
YEAR ENDING 12/31/2008

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2008 was: \$ 15,595

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. _____



RECEIVED
MAY 12 2010
AZ CORP COMM
Director Utilities

VERIFICATION
AND
SWORN STATEMENT
Taxes

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Bradley Folkman, Treasurer</u>
COMPANY NAME	<u>Cordes Lakes Water Company</u>

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

FOR THE YEAR ENDING

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

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.

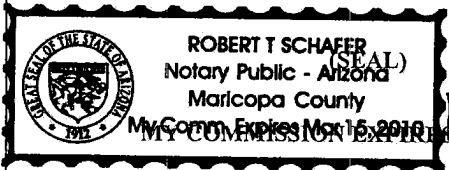
[Signature]
SIGNATURE OF OWNER OR OFFICIAL
480-966-5804
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>March</u> . <u>2009</u>



Robert T. Schaefer
SIGNATURE OF NOTARY PUBLIC
March 15, 2010

COMPANY NAME _____

YEAR ENDING 12/31/2008

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____ \emptyset
Estimated or Actual Federal Tax Liability _____ \emptyset

State Taxable Income Reported _____ \emptyset
Estimated or Actual State Tax Liability _____ \emptyset

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____ \emptyset
Amount of Gross-Up Tax Collected _____ \emptyset
Total Grossed-Up Contributions/Advances _____ \emptyset

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

3-31-09
DATE

Bradley Folkman
PRINTED NAME

Treasurer
TITLE

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

RECEIVED

APR 09 2009

AZ CORP COMM Director Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

Form with fields for County (Maricopa), Name (Bradley Folkman, Treasurer), and Company (Cordes Lakes Water Company).

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

FOR THE YEAR ENDING

Table with columns for Month (12), Day (31), and Year (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 (5) \$ 462,724

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 28,027 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/official and telephone number 480-966-5804.

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

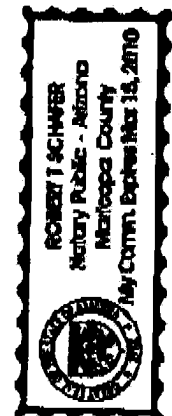
THIS 30th DAY OF

Notary Public information: County (Maricopa), Month (March), Year (.2009).

(SEAL)

MY COMMISSION EXPIRES March 15, 2010

Signature of Notary Public: Robert T. Schuber



VERIFICATION AND SWORN STATEMENT RESIDENTIAL REVENUE Intrastate Revenues Only

RECEIVED

APR 09 2009

AZ CORP COMM Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

Form with fields: COUNTY OF (COUNTY NAME) Maricopa, NAME (OWNER OR OFFICIAL) Bradley Folkman, TITLE Treasurer, COMPANY NAME Cordes Lakes Water Company

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

FOR THE YEAR ENDING

Table with columns: MONTH 12, DAY 31, YEAR 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

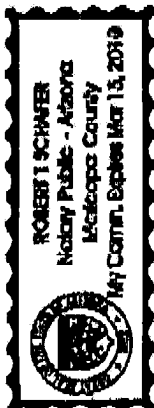
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2008 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 462,724

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 88,027 IN SALES TAXES BILLED, OR COLLECTED)

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

SIGNATURE OF OWNER OR OFFICIAL [Signature] TELEPHONE NUMBER 480-966-5804



SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY OF THIS 30th DAY OF

NOTARY PUBLIC NAME ROBERT T. SCHAEFER COUNTY NAME Maricopa MONTH March YEAR 2009

(SEAL)

MY COMMISSION EXPIRES March 15, 2010

x [Signature] SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
MAR 19 2009
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Bradley Folkman, Treasurer</u>
COMPANY NAME <u>Cordes Lakes Water Company</u>

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 (\$)
\$ _____

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
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]
SIGNATURE OF OWNER OR OFFICIAL

480-966-5804
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

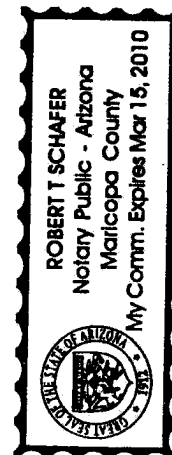
THIS 30th DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>March</u> . <u>2009</u>

(SEAL)

MY COMMISSION EXPIRES March 15, 2010

[Signature]
SIGNATURE OF NOTARY PUBLIC



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

RECEIVED
MAY 13 2009
CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>Bradley Folkman</u>	TITLE <u>Treasurer</u>
COMPANY NAME <u>Cordes Lakes Water Company</u>	

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

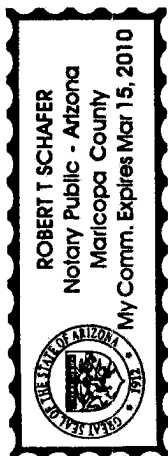
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2008 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ _____

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

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

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
480-966-5804
TELEPHONE NUMBER



SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

(SEAL)

MY COMMISSION EXPIRES March 15, 2010

NOTARY PUBLIC NAME <u>ROBERT T. SCHAFEL</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>March</u>	YEAR <u>2009</u>

x *[Signature]*
SIGNATURE OF NOTARY PUBLIC