

ORIGINAL OPEN MEETING AGENDA ITEM



BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

GARY PIERCE- Chairman
BOB STUMP
SANDRA D KENNEDY
PAUL NEWMAN
BRENDA BURNS

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE COMMISSION'S
GENERIC EVALUATION OF THE
REGULATORY IMPACTS FROM THE USE
OF NON-TRADITIONAL FINANCING
ARRANGEMENTS BY WATER UTILITIES
AND THEIR AFFILIATES.

DOCKET NO. W-00000C-06-0149

STAFF'S NOTICE OF FILING

Attached is the Report of Ullmann & Company, P.C. on Applying Agreed Upon Procedures with respect to the Schedule of Infrastructure Coordination and Finance Agreements ("ICFAs"), the Schedule of Net Plant Assets and Specified Cash Resources and the Schedule of Utility System Acquisitions of Global Water Resources, Inc. as of December 31, 2008.

RESPECTFULLY SUBMITTED this 21st day of December, 2012.

Charles H. Hains, Esq.
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

Original and Thirteen (13) Copies filed
this 21st day of December, 2012, with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

DEC 21 2012

DOCKETED BY

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Docket Nos. SW-20445A-09-0077
W-02451A-09-0078
W-01732A-09-0079
W-20446A-09-0080
W-02450A-09-0081
W-01212A-09-0082

Docket No. W-00000C-06-0149

**ARIZONA CORPORATION
COMMISSION
Agreed-Upon Procedures for Global
Water Resources, Inc.**

**For the Period Ended
December 31, 2008**

**Arizona Corporation Commission
Agreed-Upon Procedures for
Global Water Resources, Inc.
December 31, 2008**

Table of Contents

	<u>Page</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1
Agreed-Upon Procedures and Findings	2 - 7
Schedule of Infrastructure Coordination and Finance Agreements (ICFA)	8-12
Schedule of Infrastructure Coordination and Finance Agreements (ICFA)- Independent Accountants' Findings	13
Schedule of Net Plant Assets and Specified Cash Resources	14
Schedule of Net Plant Assets and Specified Cash Resources- Independent Accountants' Findings	15
Schedule of Utility System Acquisitions	16
Schedule of Utility System Acquisitions- Independent Accountants' Findings	17

ULLMANN
& COMPANY P.C.
Certified Public Accountants

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Director of Utilities Division
Arizona Corporation Commission

We have performed the procedures enumerated on pages 2-7, which were agreed to by the Arizona Corporation Commission (the Commission), solely to assist you with respect to the Schedule of Infrastructure Coordination and Finance Agreements (ICFAs), the Schedule of Net Plant Assets and Specified Cash Resources, and the Schedule of Utility System Acquisitions of Global Water Resources, Inc. (GWR) as of December 31, 2008 (schedules are presented on pages 8-17). GWR's management is responsible for the company's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified party in this report. Consequently, we make no representation regarding the sufficiency of the procedures described on pages 2-7 either for the purpose for which this report has been requested or for any other purpose.

GWR has represented that it is responsible for the presentation, completeness, and accuracy of the Schedule of ICFAs. GWR has also represented that it is responsible for the accuracy and completeness of the values contained in the Schedule of Net Plant Assets and Specified Cash Resources and the Schedule of Utility System Acquisitions, but is not responsible for the format of these two schedules.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Arizona Corporation Commission and is not intended to be and should not be used by anyone other than this specified party.

Ullmann & Company

Ullmann & Company, P.C.
Certified Public Accountants

November 28, 2012

Agreed-Upon Procedures	Details of Procedures Performed	Findings
<p>1. Test Global Water Resource, Inc. and its Subsidiaries' (Global's) Schedule of Infrastructure Coordination and Finance Agreements (ICFAs) for completeness to ensure that all ICFAs that have been executed (including those that are expired) by Global through December 31, 2008 are included on the schedule. (As clarified by the Commission, "Global" should encompass only the parent company and all subsidiaries subject to Commission oversight.)</p> <p>2. Filter or condense the format of Global's Schedule of ICFAs as of December 31, 2008 and corroborate the following information for each ICFA included on the schedule to the signed ICFA, audited financial statements, or other supporting information:</p> <p>a. The party(ies) to the agreement;</p> <p>b. The effective date of the agreement;</p> <p>c. The term of the agreement;</p>	<p>Compared total cash received to audited financial statements for each year for consistency. Read board minutes from 2004-2011 for reference to any additional ICFA's not listed on the ICFA schedule.</p> <p>Global formatted the schedule based on our recommendations.</p> <p>Compared parties listed on the ICFA schedule to ICFA contracts for consistency.</p> <p>Compared effective date listed to ICFA contracts for consistency.</p> <p>Read a sample of ICFA agreements for any terms noted in the agreement that specify length of time.</p>	<ul style="list-style-type: none"> • No exceptions were found as a result of applying the procedures. See pages 8-12. • No exceptions were found as a result of applying the procedures. See pages 8-12. • No exceptions were found as a result of applying the procedures. See pages 8-12. • Procedures were not performed on five contracts listed on pages 11-12 since the documentation of parties to the agreement was not provided and/or was unavailable for the specific development other than the general Declarations of Covenants for the area (Footnote 7, p.11-13). • No exceptions were found as a result of applying the procedures. See pages 8-12. • Sampled agreements did not state terms, so no terms were included in the schedule.

Agreed-Upon Procedures	Details of Procedures Performed	Findings
<p>d. The amount of ICFA funds potentially collectible;</p>	<p>Compared fee per estimated number of connections, also called Equivalent Dwelling Units (EDU's), listed to ICFA contracts for consistency and recalculated total amount collectible based on a multiplier of number of connections envisioned (see Procedure e.).</p>	<ul style="list-style-type: none"> • No exceptions were found as a result of applying the procedures. See pages 8-12. • Recalculation of total amounts collectible were not performed on five contracts listed on pages 11-12 since the documentation for the specific development other than the general Declarations of Covenants for the area was not provided and/or was unavailable (Footnote 7, p. 11-13). • A portion of the total estimated fees collectible for one contract was unable to be tested (Footnote 4, p. 9 and 13). The amounts unable to be tested were additional obligations agreed upon for services in addition to the already agreed upon ICFA. Estimated fees collectible as outlined in the original ICFA were tested without exception.
<p>e. The number of connections envisioned under the ICFA's;</p>	<p>Chose a sample of ICFA's estimated number of connections and compared the estimated number listed to subsequent agreements between the parties, zoning maps, or property maps for consistency.</p>	<ul style="list-style-type: none"> • No exceptions were found as a result of applying the procedures. See pages 8-12. • Global noted that for five agreements, the current estimated number of connections was different than the amount originally estimated as noted in the original agreement (Footnote 8, p. 12-13).
<p>f. The amount of funds collected through December 31, 2008 (with any refunds shown separately) by fiscal year and in total;</p>	<p>Compared total amount of funds collected as listed to audited financial statements for consistency.</p>	<ul style="list-style-type: none"> • No exceptions were found as a result of applying the procedures. See pages 8-12. • Procedures were applied to the majority of items, but some balances may include insignificant amounts that were not tested or for which supporting information was not provided (Footnote 3, p. 8-13). • A portion of the actual fees collected for one contract was unable to be tested (Footnote 4, p. 9 and 13). The amounts unable to be tested were additional obligations agreed upon for services in addition to the already agreed upon ICFA. Actual amounts received as outlined in the original ICFA were tested without exception. • Six Other Agreements (not ICFAs) included funds received that were designated as "hook-up fees" (Footnote 6, p. 12-13).

Agreed-Upon Procedures	Details of Procedures Performed	Findings
<p>g. Any amounts received or eligible for receipt after December 31, 2008, if any, and the conditions Global must satisfy to qualify for the funds;</p>	<p>Recalculated formula for Procedure d. less Procedure f. Read a judgmental sample of contracts for conditions Global must satisfy to qualify for funds.</p>	<ul style="list-style-type: none"> • No exceptions were found as a result of applying the procedure. See pages 8-12. • Procedures were not performed on five contracts listed on pages 11-12 since the documentation for the specific development other than the general Declarations of Covenants for the area was not provided and/or was unavailable (Footnote 7, p. 11-13). • Procedures were applied to the majority of items, but some balances may include insignificant amounts that were not tested or for which supporting information was not provided (Footnote 3, p. 8-13). • For all ICFAs, two conditions were found in each agreement that must be satisfied for Global to receive a majority of the funds under the agreements for residential property (the remaining funds were received upon execution of the contract): 1) extend service to the boundary of the property; and 2) obtain Commission approval of the Certificate of Convenience & Necessity (CC&N) expansion to cover the property. • There were no requirements for Global to satisfy for commercial property. • Sixteen Other Agreements Similar in Nature to ICFA reviewed (not ICFAs) did not note any conditions Global or its predecessor must satisfy to qualify for the funds (Footnote 5, p. 11-13). • Six Other Agreements (not ICFAs) noted that the amounts received are considered "hook-up fees" (Footnote 6, p. 12-13).
<p>h. Whether it entitles or provides for any party (e.g., developers) to receive utility plant;</p>	<p>Read a judgmental sample of 10 contracts for wording relating to receiving utility plant.</p>	<ul style="list-style-type: none"> • No ICFA agreements or agreements similar to ICFAs were found that entitled or provided any party to receive utility plant. • Six Other Agreements (not ICFAs) noted that the amounts received are considered "hook-up fees" (Footnote 6, p. 12-13). The agreements reference plant construction but we were unable to determine whether they entitle or provide for any party to receive utility plant.

Agreed-Upon Procedures	Details of Procedures Performed	Findings
<p>i. Whether it prohibits or restricts in any way further or subsequent payment or other conveyance of value from developers or other parties from tariffs and other fees typically assessed by utilities such as refundable advances in aid of construction ("AIAC") or non-refundable hook-up fees or other contributions in aid of construction ("CIAC").</p>	<p>Read a judgmental sample of 10 contracts for wording relating to further or subsequent payments.</p>	<ul style="list-style-type: none"> No prohibitions or restrictions of subsequent payments or other conveyances were found.
<p>3. Recalculate Global's computation of funds available on the Schedule of Net Plant Assets and Specified Cash Resources as of December 31, 2008, 2007, 2006, 2005, and 2004 and compare values on the schedule to the audited financial statements, including:</p>	<p>Presented and recalculated the amount of funds available based on the items requested to be presented by the Arizona Corporation Commission. Global did not provide the format for the schedule, but did provide the values included in the schedule.</p>	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. See page 14. Global did not provide the format for the schedule, but did provide the values included in the schedule.
<p>a. Global's Arizona jurisdictional (i.e. subject to the Commission's oversight) net plant (gross plant less accumulated depreciation) devoted to public service on that date plus any construction work in progress on that date;</p>	<p>Compared amounts listed to Global's 2004-2008 audited financial statements for consistency.</p>	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. See page 14.
<p>b. Funds available from investor sources (stock issuance, bond issuance, loans, retained earnings) exclusive of any and all funds received from ICFA agreements;</p>	<p>Compared amounts listed to Global's 2004-2008 audited financial statements for consistency.</p>	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. ICFA deferred revenue and ICFA revenue were compared to Global's reconciliation of the Statement of Infrastructure Coordination and Finance Agreements and the audited financial statements for consistency. Values were not consistent with the audited financial statements. Global provided supporting information to show that the financial statements also included revenue and deferred revenue other than ICFA revenue and deferred revenue. See page 14.

<u>Agreed-Upon Procedures</u>	<u>Details of Procedures Performed</u>	<u>Findings</u>
c. AIAC;	Compared balances listed to Global's 2004-2008 audited financial statements for consistency.	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. See page 14.
d. CIAC;	Compared balances listed to Global's 2004-2008 audited financial statements for consistency.	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. See page 14.
e. Customer deposits; and	Compared balances listed to Global's 2004-2008 audited financial statements for consistency.	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. See page 14.
f. Accumulated deferred income taxes.	Compared balances listed to Global's 2004-2008 audited financial statements for consistency.	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. See page 14.
4. Recalculate Global's computation of the acquisition premium/adjustment paid (purchase price less book value) on the Schedule of Utility Systems Acquisitions as of December 31, 2008 and corroborate the following information included in the schedule to purchase agreements, audited financial statements of Global and subsidiaries prior to purchase, Commission Ratemaking Decisions, or other supporting information:	Presented and recalculated the acquisition premium/adjustment paid based on the items requested to be presented by the Arizona Corporation Commission. Global did not provide the format for the schedule, but did provide the values included in the schedule.	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. See page 16. Global did not provide the format for the schedule, but did provide the values included in the schedule. Procedures were applied to the majority of items, but some balances may include insignificant amounts that were not tested or for which supporting information was not provided. (Footnote 10, pages 16-17). Procedures were performed as a whole for utility systems included in the acquisition of Phoenix Capital Partners (Palo Verde and Santa Cruz), Cave Creek Water Company, Inc and Pacer Equities, Inc. and West Maricopa Combine, Inc. Procedures were not performed on the allocations between utility systems purchased (Footnote 11, pages 16-17).
a. Amounts paid and amounts estimated to be payable as of December 31, 2008 for the acquisition of utility systems that are subject to the ACC's jurisdiction;	Compared purchase price listed on the schedule to purchase agreement or disclosure in audited financial statements for consistency. Compared purchase price paid as of December 31, 2008 to audited financial statements or copies of bank statements for consistency. Recalculated amounts listed as estimated to be payable at December 31, 2008 for correct formulas and calculations.	<ul style="list-style-type: none"> No exceptions were found as a result of applying the procedures. Procedures were applied to the majority of items, but some balances may include insignificant amounts that were not tested or for which supporting information was not provided (Footnote 10, pages 16-17). Procedures were performed as a whole for utility systems included in the acquisition of Phoenix Capital Partners (Palo Verde and Santa Cruz), Cave Creek Water Company, Inc. and Pacer Equities, Inc. and West Maricopa Combine, Inc. Procedures were not performed on the allocations between utility systems purchased (Footnote 11, pages 16-17).

<u>Agreed-Upon Procedures</u>	<u>Details of Procedures Performed</u>	<u>Findings</u>
<p>b. Book value of plant of the acquired utilities at time of purchase;</p>	<p>Compared book value of plant at the time of purchase listed on the schedule to purchase agreement or disclosure in audited financial statements for consistency.</p>	<ul style="list-style-type: none"> • Procedures performed on the book value of Francisco Grande (FG) resulted in information that was not consistent. The purchase agreement for FG indicated possible plant assets acquired. Global noted that no plant assets were acquired and no values were noted on supporting information provided. However, the Commission's decision number 68654 dated April 12, 2006 mentioned plant assets but no value had been determined, leaving open the possibility that plant assets with a value had been acquired. Therefore, the procedure was unable to be adequately performed for Francisco Grande (Footnote 9, pages 16-17). No other exceptions were noted as a result of applying the procedures to other acquisitions. • Procedures were performed as a whole for utility systems included in the acquisition of Phoenix Capital Partners (Palo Verde and Santa Cruz), Cave Creek Water Company, Inc. and Pacer Equities, Inc. and West Maricopa Combine, Inc. When multiple utilities were purchased in one transaction, procedures were not performed on the allocations between utility systems purchased (Footnote 11, pages 16-17). • No Commission Decisions were noted that recognized any acquisition premium/adjustment for ratemaking.
<p>c. Amount of acquisition premium/adjustments that have been recognized for ratemaking purposes;</p>	<p>Read Commission Decisions for Global for 2004-2008 for any that recognized acquisition premium/adjustment for ratemaking.</p>	<ul style="list-style-type: none"> • No Commission Decisions were noted that recognized any acquisition premium/adjustment for ratemaking.
<p>d. Commission Decision No(s) that recognized each acquisition premium/adjustment for ratemaking.</p>	<p>Read Commission Decisions for Global for 2004-2008 for purposes of identifying any that recognized acquisition premium/adjustment for ratemaking.</p>	<ul style="list-style-type: none"> • No Commission Decisions were noted that recognized any acquisition premium/adjustment for ratemaking.

**Global Water Resources, Inc.
Schedule of Infrastructure Coordination and Finance Agreements (ICFA)
Agreements Signed Prior to December 31, 2008**

Party(ies) to agreement ¹	Effective date (executed)	Recordation number	Estimated number of connections	Per unit fee	Total estimated fees collectable	Funds collected as of December 31,			Funds eligible for receipt after December 31, 2008 ^{2,3}
						2004 ³	2005 ³	2007 ³	
Pecan Valley Investments, LLC	1/28/2004	2004-0368863	2,283	2,300	5,250,900	-	-	-	2,493,982
Rio Verde/Munich 640, LLC	1/28/2004	2004-0368882	1,574	4,650	7,319,100	3,130,941	1,145,400	1,611,518	4,013,448
Homestead Village North, LLC	1/28/2004	2004-0368880	2,295	2,300	5,278,500	3,130,941	174,711	-	-
Homestead Village South, LLC	1/28/2004	2004-0368884	3,176	2,300	7,305,044	-	4,899,000	5,681,826	1,908,849
Santa Rosa Development, Inc.	1/28/2004	2004-0368885	640	2,200	1,408,000	-	-	-	1,408,000
Newport Holdings, Inc.	1/28/2004	2004-0368886	700	2,200	1,540,000	-	-	-	1,540,000
Elliott Homes, Inc.	1/28/2004	2004-0368881	790	2,200	1,738,000	-	1,423,400	-	314,600
Pitaco Farms Limited Partnership	7/1/2004	2004-0698865	560	2,800	1,568,000	-	-	-	1,568,000
Pitaco Farms Limited Partnership	7/1/2004	2004-0698866	560	2,800	1,568,000	-	-	-	1,568,000
Pitaco Farms Limited Partnership	7/1/2004	2004-0698867	560	2,800	1,568,000	-	-	-	1,568,000
Pitaco Farms Limited Partnership	7/1/2004	2004-0698868	560	2,800	1,568,000	-	-	-	1,568,000
JNAN, LLC	7/1/2004	2004-0698869	110	2,800	309,120	108,850	-	-	309,120
JNAN, LLC	7/1/2004	2004-0698870	2,162	2,800	6,053,600	108,850	3,221,350	2,982,915	-
Bera Ventures, LLC and DAC Maricopa Investment, LLC and JJD Development, LLC and Maricopa Investment Group, LLC and Jacob/McCaslin/Eden, LLC and Mesquite Groves, LLC	7/2/2004	2004-0698881	350	2,500	875,000	-	-	-	875,000
L&R Contracting, Inc. and Trap King, LLLP, and Sue Flores and Pro Active Remarketing, LLC and Sean Aldous and Guy Geeson	7/15/2004	2004-0698883	322	2,800	901,600	-	-	-	901,600
Kruse Farms	7/21/2004	2004-0698864	1,930	2,800	5,404,000	-	-	68,500	5,335,500
Mecca Holdings, LLC	7/23/2004	2004-0698871	821	2,800	2,298,800	20,525	2,278,275	-	-
Maricopa 400, LLC	7/23/2004	2004-0698874	1,308	2,800	3,656,800	32,650	631,656	-	2,992,494
Maricopa 32, LLC	7/23/2004	2004-0698875	-	2,800	-	3,600	(3,600)	-	-
Cook/EI Dorado, LLC	7/23/2004	2004-0698878	1,078	2,800	3,018,400	-	-	269,500	2,748,900
Litler/EI Dorado, LLC	7/23/2004	2004-0698880	1,082	2,800	3,029,600	-	-	270,500	2,759,100
William P. Gore and Margie L. Gore	7/23/2004	2004-0698876	1,028	2,800	2,878,400	-	-	257,000	2,621,400
Western Pinal Industrial Park, LLC	7/23/2004	2004-0698877	284	2,800	795,200	-	-	14,200	781,000
Maricopa-Casa Grande Highway, LLC	7/23/2004	2004-0698879	1,838	2,800	5,146,400	-	-	439,800	4,706,600
Desert Sunrise, LLC	7/23/2004	2004-0698872	560	2,800	1,568,000	-	-	-	1,568,000
Maricopa 240, LLC	7/28/2004	2004-0698873	1,120	2,800	3,136,000	-	-	-	3,136,000
Hallcraft Homes	7/28/2004	2004-0698881	350	2,500	875,000	-	-	-	875,000
HAM Maricopa, LLC	3/30/2005	2005-106216	148	3,300	488,400	-	3,700	-	484,700
HAM Papago, LLC	3/30/2005	2005-106214	416	3,300	1,372,746	-	-	-	1,372,746
HAM-Mesa, LLC	3/30/2005	2005-106217	2,361	3,300	7,791,284	-	-	-	7,791,284
HAM Maricopa, LLC, HAM Queen Creek, LLC	3/30/2005	2005-106213	1,107	3,300	3,652,541	-	-	-	3,652,541
Various	3/30/2005	2005-060419	4,145	3,300	13,678,500	-	103,625	-	13,574,875
Hidden Valley Ranch I, LLC	3/30/2005	2005-060420	3,010	3,300	9,933,000	-	-	-	9,933,000
Hidden Valley Ranch II, LLC	3/30/2005	2005-060420	919	3,300	3,032,700	-	-	-	3,032,700
IMAL, LLC	5/17/2005	2005-060416	2,100	3,300	6,930,000	-	52,500	-	5,827,500
Trend Homes, Inc.	5/17/2005	2005-060408	72	3,300	237,600	-	1,800	-	235,800
Amatillo Creek South, LLC and Desert Cedars, LLC	5/17/2005	2005-060422	2,149	3,300	7,091,700	-	53,725	-	4,288,475
Amatillo Creek South, LLC and Desert Cedars, LLC	5/17/2005	2005-060421	1,068	3,300	3,522,750	-	26,700	-	2,962,050
CHI Construction Company	5/17/2005	2005-060411	1,225	3,300	4,042,500	-	30,825	612,500	3,989,375
Pecan Woods, LLC	5/17/2005	2005-060414	581	3,300	1,917,300	-	14,525	-	1,812,275
Miller & White 812, LLLP	5/17/2005	2005-060413	2,834	3,300	9,352,200	-	73,092	-	9,279,108
Dennis M. Peed and Carolyn Peed	5/17/2005	2005-060409	539	3,300	1,778,700	-	-	-	1,778,700
NF 26 Land, LLC	5/17/2005	2005-060412	725	3,300	2,392,500	-	18,125	-	2,374,375
Vineyards, LLC	5/17/2005	2005-060410	1,120	3,300	3,696,000	-	24,000	-	3,672,000
RA/JACDEV Real Estate Partners, LLC	5/17/2005	2005-060415	560	3,300	1,848,000	-	-	-	1,848,000
Stanfield Holdings, LLC	5/17/2005	2005-060418	1,036	3,300	3,418,800	-	-	-	3,418,800
Langley Farms Investments, LLC	5/17/2005	2005-060417	280	3,300	924,000	-	-	-	924,000

**Global Water Resources, Inc.
Schedule of Infrastructure Coordination and Finance Agreements (ICFA)
Agreements Signed Prior to December 31, 2008**

Party(ies) to agreement ¹	Effective date (executed)	Recordation number	Estimated number of connections	Per unit fee	Total estimated fees collectable	Funds collected as of December 31,				Funds eligible for receipt after December 31, 2008 ^{2,3}
						2004 ³	2005 ³	2006 ³	2007 ³	
Pinal 347, LLC	5/17/2005	2005-064326	792	3,300	2,613,600	-	27,050	-	-	2,586,550
Hasseyampa Ranch Ventures, LLC	6/24/2005	2008-0913586	5,700	2,850	16,105,000	-	275,000	-	-	14,730,000
Desert Cedars Equities	7/16/2005	2005-080252	1,432	1,900	2,720,800	-	-	-	-	2,720,800
Red Valley Investments, LLC	7/15/2005	2005-08212	575	1,900	1,092,500	-	-	-	-	1,092,500
DR Horton-Dietz Crane and Pullie Home Corporation	7/15/2005	2005-089210	1,000	Various	1,828,700 ⁴	-	486,400 ⁴	1,343,300	-	802,300
KB Home Phoenix, Inc.	7/15/2005	2005-090248	317	1,900	602,300	-	-	-	-	364,800
McDavid Business Park, LLC	7/15/2005	2005-099211	192	1,900	364,800	-	-	-	-	364,800
Marathon Farming Investments, LLC and Craig D. Scott and Linda J. Scott	7/15/2005	2005-090250	1,507	2,800	4,219,600	-	-	-	-	4,219,600
ABCDW, LLC	7/21/2005	2005-090249	1,488	2,800	4,166,400	-	-	-	-	4,166,400
Torrey Pines Development, LLC	7/21/2005	2005-090253	1,474	2,800	4,127,200	-	-	-	-	4,127,200
Engle Homes	9/20/2005	2005-124524	537	1,900	1,020,300	-	-	1,088,083	-	-
K. Hovnanian Great Western Homes	9/20/2005	2005-124524	282	1,900	535,800	-	-	560,898	-	-
Morrison Homes	9/20/2005	2005-124524	133	1,900	252,700	-	-	264,537	-	-
Omega/Murphy Land	9/20/2005	2005-124524	220	1,900	418,000	-	-	437,580	-	-
Carranza Associates, LLC	12/28/2005	2006-022189	280	3,600	1,008,000	-	-	-	-	1,008,000
GKH Limited L.P. and East PAC, LLC and Loren Huweller	12/28/2005	2006-022196	334	3,600	1,202,400	-	-	-	-	1,202,400
Dart Properties, LLC	12/28/2005	2006-022197	2,170	3,600	7,812,000	-	-	-	-	7,812,000
Anderson & Val Vista 6, LLC	12/28/2005	2006-022198	4,157	3,600	14,965,200	-	-	103,925	-	14,861,275
SCR, LLC	12/28/2005	2006-022199	2,359	3,600	8,492,400	-	-	48,750	-	8,342,650
JP Holdings Limited Partnership	12/28/2005	2006-022191	2,335	3,600	8,408,000	-	-	58,375	-	7,257,250
Anderson and Barnes 580, LLP	12/28/2005	2006-022193	2,030	3,600	7,308,000	-	-	50,750	-	2,668,000
120 Townsend, LLC	12/28/2005	2006-022187	700	3,840	2,688,000	-	-	-	-	2,688,000
NS 120 Limited Partnership	12/28/2005	2006-022175	420	3,840	1,612,800	-	-	-	-	1,612,800
Montgomery 156 Limited Partnership LLLP	12/28/2005	2006-022179	546	3,840	2,098,640	-	-	-	-	2,098,640
CG 215 Limited Partnership LLLP	12/28/2005	2006-022186	753	3,840	2,891,520	-	-	-	-	2,891,520
Casa Grande Montgomery 240 Limited Partnership LLLP	12/28/2005	2006-022177	840	3,840	3,225,600	-	-	-	-	3,225,600
RRY Casa Grande 320 Limited Partnership LLLP	12/28/2005	2006-022180	1,120	3,840	4,300,800	-	-	-	-	4,300,800
SVVM 80 Limited Partnership LLLP	12/28/2005	2006-022181	280	3,840	1,075,200	-	-	-	-	1,075,200
VV Monty LLC	12/28/2005	2006-022176	210	3,840	808,400	-	-	-	-	808,400
RRY Real Estate LLC	12/28/2005	2006-022182	140	3,840	537,600	-	-	-	-	537,600
Robin R. Yount, LTD	12/28/2005	2006-022189	140	3,840	537,600	-	-	-	-	537,600
Richard and Dana, LLC	12/28/2005	2006-022186	140	3,840	537,600	-	-	-	-	537,600
Bruce and Karen, LLC	12/28/2005	2006-022185	140	3,840	537,600	-	-	-	-	537,600
Sacaton BL, LLC	12/28/2005	2006-022183	210	3,600	756,000	-	-	-	-	756,000
Trading Post Road, LLC and SLW Associates LP	12/28/2005	2006-022184	140	3,840	537,600	-	-	-	-	537,600
Charwell Casa Grande 40, LLC	12/28/2005	2006-022184	140	3,840	537,600	-	-	-	-	537,600
Gallup Financial, LLC	12/28/2005	2006-022192	4,256	3,840	16,343,040	-	-	-	-	16,343,040
Gallup Financial, LLC	12/28/2005	2006-022192	5,194	3,840	19,944,960	-	-	-	-	19,944,960
CERW Holdings I, LLC	12/28/2005	2006-022203	105	3,600	378,000	-	-	-	-	378,000
Val Vista & Montgomery, LLC	12/28/2005	2006-022202	140	3,600	504,000	-	-	-	-	504,000
Williams Family Revocable Trust, UTA and Lora G. Williams Special Trust, UTA and Lora A. Williams Trust, UTA and Mark C. Williams Revocable Trust, UTA	12/28/2005	2006-022173	560	3,600	2,016,000	-	-	-	-	2,016,000
Brian Blevins and Jessica Blevins	12/28/2005	2006-022205	280	3,600	1,008,000	-	-	-	-	1,008,000
Carol Kronwald Children's Irrevocable Trust I	12/28/2005	2006-022200	88	3,600	316,800	-	-	-	-	316,800
Henry McMillan and Alexander McMillan	12/28/2005	2006-022195	287	3,600	1,033,200	-	-	-	-	1,033,200
Teel 80, LLC	12/28/2005	2006-022204	280	3,600	1,008,000	-	-	-	-	1,008,000
KEJE Group, LLC	12/28/2005	2006-022190	2,825	3,600	10,170,000	-	-	-	-	10,170,000
Hampden and Chambers, LLC and Bevnorm Olive, LLC	12/28/2005	2006-022209	1,544	3,600	5,558,400	-	-	-	-	5,558,400
Langley Stanfield Estates, LLC	12/28/2005	2006-022202	140	3,600	504,000	-	-	-	-	504,000

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						2004 ³	2005 ³	2006 ³	2007 ³	
Langley Stammer 160, LLC and Robinson Family Farms, LLC	12/28/2005	2008-022208	560	3,600	2,016,000	-	-	-	-	2,016,000
CCB Stanfield Estates, LLC	12/28/2005	2008-022207	336	3,600	1,209,600	-	-	-	-	1,209,600
Parker Estates, LLC	12/28/2005	2008-022206	2,240	3,500	7,840,000	-	-	-	-	7,840,000
Hondo 640, LLC	12/28/2005	2008-022170	2,240	3,500	7,840,000	-	-	-	-	7,840,000
Rio Lobo, LLC	12/28/2005	2008-022174	2,240	3,500	7,840,000	-	-	-	-	7,840,000
Terbus Investments, LLC	12/28/2005	2008-022172	140	3,600	504,000	-	-	-	-	504,000
Douglas Payne	12/28/2005	2008-022171	280	3,600	1,008,000	-	-	-	-	1,008,000
Sierra Negra Ranch, LLC	7/10/2006	2008-0939440	8,622	5,500	47,421,000	-	-	5,819,850	-	41,601,150
First American Title Insurance Company	7/10/2006	2008-0939366	3,750	5,500	20,625,000	-	-	2,531,250	-	18,093,750
Redfield Ring, LLC	7/20/2006	2008-132124	72	3,600	259,200	-	-	-	-	259,200
ABCOW, LLC and De Jon Arie H. Family Trust Dated and Millar Charles & Ida Daniel William and Milky Way Dairy, LLC	7/21/2006	2007-068432	7,301	4,000	29,204,000	-	-	-	-	29,204,000
Wildcat Capital Manager, Inc.	7/21/2006	2007-068435	560	4,000	2,240,000	-	-	-	-	2,240,000
Southern Dunes Golf Club, Inc.	7/21/2006	2006-138949	234	4,000	936,000	-	-	-	-	936,000
Hoganes Farms Limited Partnership	7/21/2006	2006-132111	2,667	3,600	9,601,200	-	-	-	-	9,601,200
TOTRR Corp. and Redwood Financial Ltd., Profit Sharing Plan & Trust Rollover Dated December 31, 2003	7/21/2006	2006-138243	27	4,000	108,000	-	-	-	-	108,000
J-Con Development, Inc and Redwood Financial Ltd. Profit Sharing Plan & Trust, dated January 1, 1996, The Date M. and Wanda S. Micecic Family Trust dated 5-29-1996	7/21/2006	2007-025647	26	4,000	104,000	-	-	-	-	104,000
Redfield Financial, Inc. and Redfield Financial Partners IV, LLC and Redfield Financial Partners II, LLC	7/21/2006	2007-068438	117	3,600	422,100	-	-	-	-	422,100
Sunset Mountain Development Group, LLC	7/21/2006	2008-139522	1,260	4,000	5,040,000	-	-	-	-	5,040,000
Maracay Homes Arizona I, LLC	7/21/2006	2007-068437	932	3,200	2,982,400	-	-	23,300	-	2,959,100
Anderson Palmisano Farms	7/21/2006	2007-068433	2,240	3,100	6,944,000	-	-	-	-	6,944,000
Eagle Shadow South East, LLC	7/21/2006	2008-132115	1,323	3,100	4,101,300	-	-	-	-	4,101,300
Hartman Ranch, LLC and Cole Maricopa 193, LLC and Philip McD Hartman & Shirley Ann Hartman as Co-Trustees of the Philip McD and Shirley Ann Hartman Trust Dated June 15, 2004	7/21/2006	2008-132119	2,240	3,100	6,944,000	-	-	-	-	6,944,000
John E. Smith & Mary Lou Smith and The Smith Family Irrevocable Trust dated June 23, 1989 and The John and Mary Lou Smith Family Trust dated April 29, 2002	7/21/2006	2008-132125	1,190	3,100	3,689,000	-	-	-	-	3,689,000
Rudolph Lee Echeverria & Helen Biehn Echeverria	7/21/2006	2008-139523	1,120	3,100	3,472,000	-	-	-	-	3,472,000
Chris Whitt	7/21/2006	2007-068436	88	3,600	315,000	-	-	-	-	315,000
Brian R. Stevenson	7/21/2006	2008-132117	280	3,600	1,008,000	-	-	-	-	1,008,000
KSK Land Ventures, LLC	7/21/2006	2007-046079	140	3,600	504,000	-	-	-	-	504,000
Nicholas J. Toronto & Colette Ann Toronto and NSB Investments, LLC	7/21/2006	2006-132116	280	3,600	1,008,000	-	-	-	-	1,008,000
Quassey Holdings, LLC	7/21/2006	2006-132122	32	3,600	115,920	-	-	-	-	115,920
Ivett O. Aviles	7/21/2006	2006-132114	25	3,600	88,200	-	-	-	-	88,200
Dana B. Byron	7/21/2006	2007-027768	18	3,600	63,000	-	-	-	-	63,000
Dana B. Byron & Maritza Tee	7/21/2006	2006-132113	30	3,600	108,240	-	-	-	-	108,240
Dana B. Byron	7/21/2006	2007-027767	32	3,600	115,920	-	-	-	26,250	89,670
Dana B. Byron & Jamie MacCallum	7/21/2006	2006-132126	1,050	3,600	3,780,000	-	-	-	-	3,780,000
Wilton Cactus Springs Limited Partnership	7/21/2006	2008-132120	140	3,600	504,000	-	-	-	-	504,000
Kino Trails, LLC	7/21/2006	2007-016473	18	3,600	63,000	-	-	-	-	63,000
Montemore Family Revocable Trust	7/21/2006	2006-132129	140	3,600	504,000	-	-	-	-	504,000
Redfield Financial Partners V, LLC	7/21/2006	2008-138242	970	3,600	3,492,720	-	-	22,925	-	3,469,795
Rio Blanco, LLC	7/21/2006	2008-138242	970	3,600	3,492,720	-	-	-	-	3,492,720

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Redfield Financial Partners VII, LLC	7/21/2008	2007-018719	140	4,000	560,000	-	-	-	-	-	560,000
Cando Ranch, LLC	7/21/2008	2007-068434	286	3,600	957,600	-	-	-	-	-	957,600
Ray Morrow	7/21/2008	2008-141209	58	3,600	201,600	-	-	-	-	-	201,600
K. Investment Enterprises, LLC	7/21/2008	2008-132112	420	3,600	1,512,000	-	-	-	-	-	1,512,000
Redfield Ring, LLC	7/21/2008	2008-132124	140	3,600	504,000	-	-	-	-	-	504,000
Redfield Financial, Inc.	7/21/2008	2008-132123	280	3,600	1,008,000	-	-	-	-	-	1,008,000
Dye Equities, LLC	7/21/2008	2008-132128	2,240	3,600	8,064,000	-	-	-	-	-	8,064,000
Key'n G. Norby, LLC	7/21/2008	2008-132127	18	3,600	63,000	-	-	-	-	-	63,000
NF 28 Land, LLC	7/21/2008	2008-132118	648	3,600	2,331,000	-	-	-	882,411	-	2,331,000
Legends Ranch (Southeast II)	12/30/2008	2008-074502	25,000	3150/3600	88,650,000	-	-	-	-	1,000,000	86,767,589
Various	12/20/2007	2008-0061205	87,500	5,000	437,500,000	75,000	-	-	-	425,000	437,000,000
Palo Desert Development, LLC - Terminated	10/9/2008	2008-0878789	-	5,750	-	-	-	-	-	-	15,472,800
ROB-LIN Marketing, Inc.	10/13/2008	2008-098153	4,288	3,600	15,472,800	-	-	-	-	-	39,312,000
Jorde Hacienda, Inc.	10/13/2008	2008-098154	10,920	3,600	39,312,000	-	-	-	-	-	24,469,200
ABCDW, LLC	10/13/2008	2008-098151	6,797	3,600	24,469,200	-	-	-	-	-	24,192,000
Vanderbilt Farms, LLC and ABCDW, LLC	10/13/2008	2008-098152	6,720	3,600	24,192,000	-	-	-	-	-	-
ABCDW, LLC and Bernadette Wolfswinkel and Grace Holdings, LLC and Vanderbilt Farms, LLC and Sarival Holdings, LLC and New Meridian SPE, LLC and Verde Grande Commercial Building, LLC	10/13/2008	2008-098150	18,154	4,000	72,615,340	-	-	-	-	-	72,615,340
ABDCE, LLC and Torry Pines Development, LLC and Riggs/Queen Creek 480, LLC and Ellsworth Road 160, LLC and Vanderbilt Farms, LLC and Irvine Land Partners, LLC	10/13/2008	2008-098149	59,500	2,800	166,600,000	-	-	-	-	-	166,600,000
The Orchard at Picacho, LLC	1/6/2008	2008-004128	8,000	5,015	40,120,000	-	-	500,500	-	-	39,619,500
339th & I-10, LLC	5/20/2008	2008-0679693	1,100	5,500	6,050,000	-	-	-	-	375,000	5,675,000
TOTAL ICFAS					1,452,106,286	3,371,566	14,811,609	24,848,527	4,386,820	3,856,350	1,401,577,563
ICFAS NOT RECORDED WITH THE COUNTY											
Chandler Boys Ventures, LLC ; Edison Road Development, LLC	1/28/2004		3	3,000	9,000	-	-	-	-	-	9,000
Maricopa 120	7/21/2006		420	3,600	1,512,000	-	-	-	-	-	1,512,000
Matt Montgomery/SPD, INC, Tom-T, L.L.C., T & T Farms, LLC, and TTTT Farms, LLC	6/6/2005		4,200	3,600	15,120,000	-	-	-	-	-	15,120,000
TOTAL ICFAS NOT RECORDED WITH THE COUNTY					16,641,000						16,641,000
OTHER AGREEMENTS SIMILAR IN NATURE TO ICFA⁵											
Avante ⁷	10/28/2003		163	1,794	292,422	249,697	-	-	-	-	42,755
Avante ⁷	10/28/2003		160	1,794	287,040	285,333	-	-	-	-	1,707
Brown	1/30/2004		181	1,950	313,950	60,450	191,100	70,200	-	(7,800)	-
Brown	1/30/2004		10	1,950	19,500	-	19,500	-	-	-	-
Brown	1/30/2004		176	1,950	343,200	79,850	220,350	42,900	-	-	3,900
Centex	2/9/2004		191	1,950	372,450	13,650	178,400	175,500	3,900	50,700	13,650
Centex	1/26/2004		123	1,950	239,850	52,950	3,900	3,900	15,900	40,950	81,650
Engle	1/26/2004		138	1,950	269,100	-	64,350	56,550	-	3,900	-
Engle ⁷	10/28/2003		2	1,950	3,900	-	-	-	-	-	14,050
Fulton Homes	1/20/2004		891	1,950	1,737,450	235,950	640,450	522,600	124,400	-	-

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						2004 ³	2005 ³	2006 ³	2007 ³	
Hacienda	1/26/2004		167	1,950	325,650	183,050	130,650	-	1,950	-
Hacienda	1/26/2004		110	1,950	214,500	163,800	50,700	-	68,250	-
Hacienda	1/27/2004		61	1,950	118,950	-	50,700	-	56,550	-
Maracay	2/9/2004		178	1,950	347,100	120,900	167,700	1,950	-	-
Ryland ⁷	10/28/2003		152	1,950	296,400	105,300	187,200	3,900	-	-
Ryland /	10/28/2003		148	1,950	288,600	66,300	208,650	13,650	-	-
TOTAL OTHER AGREEMENTS SIMILAR IN NATURE TO ICFA					5,470,062	1,627,000	2,425,800	891,150	270,650	87,750

TOTAL OTHER AGREEMENTS SIMILAR IN NATURE TO ICFA

OTHER AGREEMENTS⁶

Cottonwood Lend Group VIII, LLC	3/16/2004		1,290	1,900	2,451,000	-	2,451,000	-	-	-
Land Solutions Maricopa LLC ⁵	10/15/2003				400,000	-	197,500	-	-	202,500
Lennar Communities ⁸	10/27/2003		902		200,000	-	200,000	-	-	-
Maricopa Meadows, LLC ^{8,9}	12/3/2004		108	1,900	205,200	-	205,200	-	-	-
Maricopa Meadows, LLC ^{8,9}	12/3/2004		124	1,900	235,600	-	235,600	-	-	-
Maricopa Meadows, LLC ^{8,9}	12/3/2004		114	1,900	216,600	-	216,600	-	-	-
TOTAL OTHER AGREEMENTS					3,708,400	-	3,305,900	200,000	-	202,500

TOTAL OTHER AGREEMENTS

TOTAL ICFAS, OTHER AGREEMENTS, AND OTHER AGREEMENTS SIMILAR IN NATURE TO ICFA **1,477,925,748** **4,998,566** **20,543,309** **25,939,677** **4,666,470** **3,946,100** **1,419,686,775**

Additional Information

¹ Parties include Global Water Resources, Inc., its subsidiaries, and/or its predecessors.
² Amounts may include funds whose receipt are contingent upon Global Water Resources, Inc. satisfying certain conditions. See the agreed upon procedures report for a description of the conditions Global must satisfy for receipt of the majority of the funds.
Additional footnotes are defined in the Independent Accountants' Findings section on page 13.

**Global Water Resources, Inc.
Schedule of Infrastructure Coordination and Finance Agreements (ICFA)
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Independent Accountants' Findings. Referenced to Schedule

- 3 Procedures were applied to the majority of items, but some balances may include insignificant amounts that were not tested or for which supporting information was not provided.
- 4 A portion of estimated fees collectible and actual amounts received (\$254,600) were unable to be tested for contract 2005-099210. The amounts unable to be tested were additional obligations agreed upon for services in addition to the already agreed upon ICFA. Estimated fees collectible and actual amounts received as outlined in the original ICFA were tested without exception.
- 5 Other Agreements Similar in Nature to ICFA are contracts that have contractual obligations and fee schedules similar to ICFAs, but did not have formal infrastructure coordination and finance agreements recorded with the county. The fees are described as "infrastructure fees," but no explanation is given for the purpose of the fees and "infrastructure fees" is not defined.
- 6 The Company received funds under these Other Agreements (not ICFAs) for "hook-up fees." These agreements were not recorded with the county.
- 7 These funds were received under a general Declarations of Covenants, Conditions, Restrictions and Easements recorded with the County. No supporting information was provided for the agreement between the specific parties and Global or its predecessors. Therefore, parties to the agreement, estimated number of connections, total estimated fees collectible, and funds eligible for receipt after December 31, 2008 were unable to be agreed to supporting information.
- 8 Estimated number of connections for these Other Agreements represent estimates for the development after Global acquired ownership from its predecessor. The amounts do not agree to the estimates in the original agreements with Global's predecessor.
- 9 The parcels in these three agreements were part of a Master Utility Agreement. Only the Master Utility Agreement was provided; no reference was made to these specific parcels.

Global Water Resources, Inc.
Schedule of Net Plant Assets and Specified Cash Resources
For the Periods Ending December 31, 2004 Through December 31, 2008

	2004	2005	2006	2007	2008
Net Plant Assets					
Construction in progress, plant	6,483,989	16,803,147	49,698,810	43,991,015	51,024,683
Net plant assets placed in service	23,759,712	72,718,677	121,762,473	184,487,579	225,155,577
Total Net Plant Assets	30,243,701	89,521,824	171,461,283	228,478,594	276,180,260
Specified Cash Resources					
Liability Resources					
Advances in aid of construction	8,068,043	15,422,579	51,063,891	69,405,414	102,187,152
Bonds payable	-	-	36,495,000	90,115,055	114,687,473
Contributions in aid of construction	-	3,464,093	4,603,541	792,127	1,193,508
Customer deposits	69,750	131,750	865,290	1,192,420	1,329,711
Deferred income tax	-	2,611,487	5,245,941	7,169,614	9,183,110
Non-ICFA deferred revenue ¹	-	-	-	1,136,000	3,399,829
Distributions payable	-	1,262,170	7,908,988	2,042,458	-
Due to affiliate	-	1,771,718	3,015,612	1,284,199	630,020
Loans payable	6,780,000	23,153,423	24,087,692	38,041,833	3,131,392
Short term debt payable	720,000	-	146,061	137,861	60,429,910
Total Liability Resources	15,637,793	47,817,220	133,432,016	211,316,981	296,172,105
Equity Resources					
Additional paid in capital	27,500,000	26,000,000	26,000,000	26,000,000	26,392,084
Retained earnings	1,124,377	(2,431,675)	(6,917,421)	(14,221,317)	(21,211,685)
Less prior and current ICFA revenue ²	(1,764,100)	(5,340,396)	(10,764,958)	(17,045,750)	(29,947,093)
Total Equity Resources	26,860,277	18,227,929	8,317,621	(5,267,067)	(24,766,694)
Total Specified Cash Resources	42,498,070	66,045,149	141,749,637	206,049,914	271,405,411
Surplus (Deficit) of Specified Cash Resources over Net Plant Assets	12,254,369	(23,476,675)	(29,711,646)	(22,428,680)	(4,774,849)

All footnotes are defined in the Independent Accountants' Findings section on page 15.

**Global Water Resources, Inc.
Schedule of Net Plant Assets and Specified Cash Resources
For the Periods Ending December 31, 2004 Through December 31, 2008**

Independent Accountants' Findings, Referenced to Schedule

- ¹ ICFA deferred revenue was compared to Global's reconciliation of the Statement of Infrastructure Coordination and Finance Agreements and the audited financial statements for consistency. Values were not consistent with the audited financial statements. Global provided supporting information to show that the financial statements also included deferred revenue other than ICFA deferred revenue.
- ² ICFA revenue was compared to Global's reconciliation of the Statement of Infrastructure Coordination and Finance Agreements and the audited financial statements for consistency. Values were not consistent with the audited financial statements. Global provided supporting information to show that the financial statements also included revenue other than ICFA revenue.

**Global Water Resources, Inc.
Schedule of Utility System Acquisitions
For the Period Ending December 31, 2008**

Utility System Acquired	(A) Acquisition Contract Date	(B) Purchase Price	(C) Purchase Price Paid as of 12/31/08	(C) Balance due to Seller at 12/31/08	(D) Book Value of Plant at date of Acquisition ⁴	(E) Book Value of Plant at date of Acquisition minus AIAC ⁵	(F) Acquisition Premium Paid	(G) Acquisition Premium Paid minus AIAC	Premium Recognized for Ratemaking Purposes
Palo Verde Utilities Company and Santa Cruz Water Company ¹	2/4/2004	33,762,427	33,762,427	-	19,453,890	16,036,963	14,306,537	17,725,464	-
Cave Creek Water Company, Inc. and Pacer Equities, Inc. ²	3/3/2005	7,025,924	7,025,924	-	3,554,438	1,085,977	3,471,488	5,939,947	-
Sonoran Utility Services, LLC	3/31/2005	18,550,000 ⁶	14,286,802 ¹⁰	4,253,198 ¹⁰	1,085,451	213,594	17,464,549 ¹⁰	18,336,408 ¹⁰	-
West Maricopa Combine, Inc. ³	7/11/2006	54,369,889 ⁷	28,250,000	25,119,889	12,771,724	(5,005,082)	41,598,165	58,374,971	-
Francisco Grande Utility Company	12/30/2006	8,000,000	-	8,000,000	- ⁹	- ⁹	8,000,000	8,000,000	-
CP Water Company	12/30/2006	1,250,000	-	1,250,000	-	-	1,250,000	1,250,000	-
Balterra Sewer Corp	5/7/2008	1,456,765 ^{8,10}	1,175,000 ¹⁰	281,755 ¹⁰	-	-	1,456,765 ¹⁰	1,456,765 ¹⁰	-

Additional Information.

- Palo Verde Utilities Company and Santa Cruz Water Company were acquired from Phoenix Capital Partners concurrently.
- Cave Creek Water Company, Inc. and Pacer Equities, Inc. were acquired concurrently.
- West Maricopa Combine, Inc. acquisition included the following utility systems: Valencia Water Company, Inc., Willow Valley Water Co., Inc., Water Utility of Greater Tonopah, Inc., Water Utility of Greater Buckeye, Inc., and Water Utility of Northern Scottsdale, Inc.
- According to the National Association of Regulatory Utility Commissioners, book value of plant is the sum of plant costs minus accumulated depreciation, reduced by contributions in aid of construction minus accumulated amortization.
- Column (E) includes book value as assessed by the National Association of Regulatory Utility Commissioners, as noted in footnote 4, minus advances in aid of construction, as requested on July 31, 2012 by the Commission.
- Purchase price includes \$850,000 of interest as agreed upon in the July 29, 2008 litigation settlement and release agreement and a \$500,000 amount due contingent on future residential construction as per the purchase and sale agreement dated June 15, 2005.
- Purchase price includes \$369,889 of interest payable in future years, as agreed upon in the settlement agreement dated April 27, 2009.
- Purchase price includes \$198,157 of reimbursed costs incurred by the seller.

Additional footnotes are defined in the Independent Accountants' Findings section on page 17.

**Global Water Resources, Inc.
Schedule of Utility System Acquisitions
For the Period Ending December 31, 2008**

Independent Accountants' Findings, Referenced to Schedule

- ⁹ Procedures performed on the book value of Francisco Grande (FG) resulted in information that was not consistent. The purchase agreement for FG indicated possible plant assets acquired. Global noted that no plant assets were acquired and no values were noted on supporting information provided. However, the Commission's decision number 68654 dated April 12, 2006 mentioned plant assets but no value had been determined, leaving open the possibility that plant assets with a value had been acquired. Therefore, the procedure was unable to be adequately performed for Francisco Grande.
- ¹⁰ Procedures were applied to the majority of items, but some balances may include insignificant amounts that were not tested or for which supporting information was not provided.
- ¹¹ Purchase price, principal paid as of 12/31/08 and/or book value of plant assets were compared to supporting information for consistency for the overall purchase price but the allocation of these numbers between utility systems could not be compared to supporting information, so they are shown in total.