

To the Members of Community Water Company of Green Valley, (An Arizona nonprofit corporation with members)

We are committed to reliably delivering water, maintaining financial sustainability, and ensuring a secure water supply for generations to come. Thank you for your continued support. Highlights from 2024 and the key initiatives we will focus on this coming year are presented below.

2024 brought significant challenges and achievements. Despite proactive maintenance and infrastructure investment, critical failures at two of our wells required extensive repairs. We have successfully continued to reliably deliver water to our members with few interruptions. We replaced key equipment at our Well 6 arsenic treatment plant and completed Well 10's repairs. Well 10 is now in full operation as of January 2025. At the end of 2024, we served 13,390 units (12,874 residential, 397 commercial, and 119 other) and added minimal footage of new mains. We delivered 2,306.4 acre-feet of water in 2024 and 2,276.3 acre-feet in 2023.

Key efforts for 2025 include:

- 1. Infrastructure Improvements: Our top priority continues to be ensuring all our wells remain fully operational. We will continue to address the aging infrastructure by evaluating sites for an additional well and planning well and reservoir maintenance. We are proud of performing proactive water main replacements, applying upgrades, and utilizing technologies like Global Information System mapping. Regular maintenance gives us time to transition to long-term replacement of system pipes as they age out.
- 2. **Service Area Expansion:** We have added a tract of commercial property to our service area south of Nogales Highway adjacent to the Sahuarita Crossing commercial section in Sahuarita. This will provide for beneficial future growth and enable us to improve our system's redundancy in the northeast corner of our service area.
- 3. **Financial Sustainability**: Over the past few years, we have transitioned from regular growth created by additional residential subdivisions to only adding about 20 new residential customers and a handful of commercial customers. To maintain our water delivery system and address inflationary pressures, we have filed a rate case that is expected to be implemented in mid-year 2025. This will enable us to maintain reliable service while funding needed investments for sustainability. In 2024, our average residential water bill was \$21.22; when the new rates are implemented in 2025, this will increase to \$26.32.
 - Developers funded the expansion of our system over the years, and as our growth declines, these funding sources are minimal. As a nonprofit corporation, we rely entirely on borrowing funds at current market rates to maintain our water system—we do not have access to investor equity like for-profit utilities. This means future replacement of system components will require additional borrowing.
- 4. **Employee Development**: Our workforce is our greatest strength. We continue to prioritize professional training and certification advancements to ensure our team is prepared to manage the challenges ahead. Over the past few years, we have experienced significant transitions as several employees have retired or moved on to new opportunities. John Meyer, our Utility Operator, will retire in 2025 after 40 years of service, and his contributions will be deeply missed. Recruitment in

today's competitive job market has presented challenges; however, we are pleased to report that we have successfully welcomed talented new team members. These individuals bring enthusiasm and motivation. We have outgrown our present buildings and are in the process of securing suitable land and building additions to enable our team members to improve operational efficiency and better serve our customers.

- 5. **Project Renews, A Commitment to Sustainable Water Supply:** In 2007, we initiated Project Renews to bring renewable water supplies to our community and ensure a sustainable water future. This project, which connects to the Central Arizona Project, encompasses nine miles of pipelines and a long-term recharge site. Implementing Project Renews is being accomplished without imposing additional costs on our members.
- **6. Community Engagement and Conservation**: We are committed to working closely with members and local organizations to promote water conservation. Despite the increase in population, the current trend is for less consumption overall. If we each save a little water, together we save a lot.

Water Quality - The water delivered to our members and customers met or surpassed all health and safety measures required by the United States Environmental Protection Agency, the Arizona Department of Environmental Quality, and the Pima County Department of Environmental Quality. Our annual Water Quality Report is available on our website, www.communitywater.com.

Our Water Quality Report notes that sulfate contamination from the local mines is not currently impacting our wells. The Arizona Department of Environmental Quality implemented a sulfate mitigation order and reports on the local sulfate mitigation efforts through a Community Advisory Group (CAG). Representatives of Community Water attend the CAG meetings.

Annual Meeting - We invite you to the Annual Members Meeting on Wednesday, April 23, 2025, at 9:30 AM at the Green Valley Recreation East Center Auditorium at Esperanza Blvd and Abrego Drive. Registration begins at 9:00 AM. This meeting is an opportunity to hear more about our plans, ask questions, and share your input.

Conclusion- Our journey began five decades ago with a group of committed volunteers and continues to thrive because of your support and the dedication of our employees and board members. Maintaining local control is crucial, and our volunteer directors play a pivotal role in governance. We encourage our members to get involved and consider joining us as a volunteer board consultant; more information will be available at the annual meeting. Together, we have built a utility that serves as a model of local control, reliability, and community focus.

We appreciate the dedication of our directors and board consultants who invest time in attending workshops, participating in committee meetings, and staying informed about trends impacting our water resources. Our success story began in 1975 with volunteers who committed their expertise and knowledge to establish this utility, recognizing the value of safe, local, and sustainable service.

Sincerely,
Community Water Company of Green Valley

Thomas E. Cooke Chair of the Board Arturo R. Gabaldón

President



Scan to learn more.



COMMUNITY WATER COMPANY OF GREEN VALLEY 2025 PROXY STATEMENT

This statement is furnished in connection with a solicitation by the management for proxies to be used at the Annual Meeting of the Members of the Corporation to be held at the GV Recreation East Center, 7 S Abrego Drive, Green Valley, Arizona, on **Wednesday, April 23, 2025,** at **9:30 AM**.

Members in good standing at the close of business on Wednesday, March 19, 2025, are entitled to vote.

The Bylaws of the Corporation do not provide for cumulative voting.

Signed proxy postcards to appoint Heather Graves and Pierre Hanhart as proxies for the members will be executed at the meeting. Proxies may be revoked at any time, either by subsequent written revocation or in person at the meeting.

The Board of Directors consists of the following people, their former or current occupation, and the year their present term as a director will expire. Directors whose terms expire in 2025 are indicated by **BOLD CAPITAL LETTERS**.

THOMAS COOKE (2025),

Retired Trial Attorney, Cooke Lamanna Smith & Cogswell

HEATHER GRAVES (2025).

Administrative Services Manager Community Water Company of Green Valley

PAUL MENA JR (2025).

Retired Washington State Employee

PAUL WILLIAMSEN (2025),

Retired Scheduling Supervisor United Technologies Chemical Systems

Glen Barnes (2026),

Retired Procurement Manager

Terry Goewert (2026),

Retired Environmental Planner

Pierre Hanhart (2026),

Controller

Community Water Company of Green Valley

Arturo Gabaldón (2027),

General Manager

Community Water Company of Green Valley

Ronald Woelfel (2027).

Retired Manufacturing/Industrial Engineer and Financial Analyst

John Woerner (2027),

Retired Rates Analyst,

Wholesale Electric Transmission and Power

ELECTION OF DIRECTORS

Your Board is nominating for reelection **Thomas Cooke, Heather Graves, and Paul Mena,** and for election, **Jerry Bergeman,** who has served as a board consultant since 2023 and is a Retired Military Pilot and former Teller County, CO Commissioner, to each serve three-year terms as directors.

The proxies for the members, named in the enclosed **2025 PROXY**, are to vote such proxy for the election of the above as directors. Management is assured that each nominee is qualified and can serve as a director. Proxies intend to vote for another qualified person of any nominee who cannot accept the nomination.

OTHER BUSINESS

Management knows no other business to be brought before the meeting. Members who would like to present motions to the Board on the day of the Annual Meeting must submit these motions, in writing, with name and address to Community Water Company of Green Valley, no later than **Wednesday**, **April 9**, **2025**. The meeting will follow Robert's Rules of Order. Motions may be sent as follows:

Mail: Community Water Company of Green Valley

Attn: Secretary of the Board 1501 S La Canada Dr Green Valley AZ 85622; or

Email: info@communitywater.com

The proxies for the members, named in the enclosed **2025 PROXY**, are to vote such proxy for or against such motions before the Board in accordance with their best judgment on such matters.

The Future of Water: As a not-for-profit, member-driven utility, we are seeking volunteer Board Consultants to help shape the future of our local water environment. Lend your expertise and contribute to important discussions regarding our water utility. Interested? Call Heather Graves at 520-625-8409.

COMMUNITY WATER COMPANY OF GREEN VALLEY NOTICE OF MEETING

To the Members of Community Water Company of Green Valley:

Notice is hereby given that the Annual Meeting of Members of Community Water Company of Green Valley will be held at the GV Recreation East Center, 7 S Abrego Drive, Green Valley, Arizona, on **Wednesday, April 23, 2025,** at **9:30 AM** for the following purpose:

- (1) To elect four (4) directors each to hold office until a successor shall have been elected and qualified for a term of three (3) years; and
- (2) To vote on any other business properly presented at the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on Wednesday, March 19, 2025, as the record date for determining Members entitled to receive notice of and vote at the meeting.

Registration of members attending the meeting in person will be open from 9 AM to 9:30 AM the day of the meeting, at the meeting place. Each member who does not expect to attend in person is requested to **sign and return the enclosed proxy or scan the QR code below with your phone to submit your proxy online, on or before Thursday, April 17, 2025.**

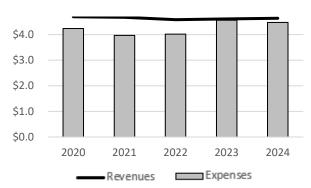


By order of the Board of Directors Heather Graves, Secretary March 28, 2025

Community Water Company of Green Valley **2024 Financial Highlights**

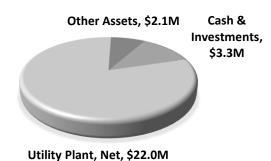
Water Utility Operations (\$Millions)

REVENUES & EXPENSES

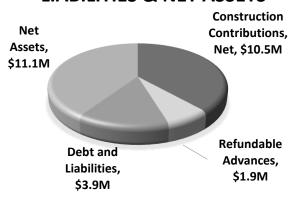


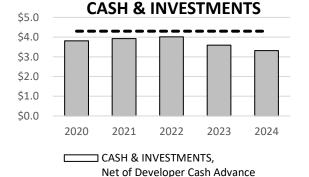


ASSETS



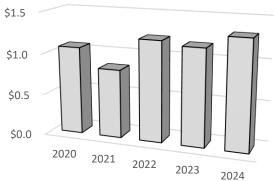
LIABILITIES & NET ASSETS





— — ■ Planned Reserve (2016)





Notes

- Organized as an Arizona nonprofit corporation with members
- Operates a four-well system, and delivering through 154 miles of mains
- Maintains a storage capacity of 6.6 million gallons of water
- Meets the AWWA standard of a 48-hour emergency water supply
- Delivers an average of 2.1-million gallons of water daily
- Serves 12,874 active residential and 397 active business customers as of year-end 2024
- Audited financial statements are available at www.communitywater.com or by calling us at (520) 625-8409

DIRECTORS, BOARD CONSULTANTS, AND MANAGEMENT

As of March 28, 2025

Directors:

Thomas Cooke, Chair
Paul Mena Jr., Vice-Chair
Arturo Gabaldón, President
Pierre Hanhart, Treasurer
Paul Williamsen, Assistant Treasurer
Heather Graves, Secretary
Glen Barnes
Terry Goewert
Ronald Woelfel
John Woerner

Board Consultants:

Virgil Davis, Chair Emeritus Donna Severidt, Treasurer Emeritus Jerry Bergeman John Holland

Supervisors:

John Meyer, Utility Operator Saul Leal, Distribution Supervisor Trey Harris, Treatment Supervisor

MINUTES OF THE ANNUAL MEETING OF THE MEMBERS OF COMMUNITY WATER COMPANY OF GREEN VALLEY

Wednesday, April 24, 2024

Mr. Cooke opened the Annual Meeting of the Members held at GVR East Center, 7 S Abrego Dr, on Wednesday, April 24, 2024, at 9:30 AM, under the Notice of the Annual Meeting mailed to all registered members. Safety share included comments about driving safety.

Ms. Graves, Board Secretary, reported that the Board of Directors had fixed the close of business on Wednesday, March 20, 2024, as the record date for determining the members entitled to vote at the annual meeting. On that date, there were 10,546 members. Five percent (5%) or 527 members constitute a quorum for conducting business. The number of voting members present (22) and by proxy (1,456), for a total of 1,478. Without objection, Ms. Graves announced suspending the reading of the 2023 Notice of Meeting and minutes of the April 26, 2023, Annual Meeting of the Members. The minutes of the 2023 Annual Meeting of Members were distributed and accepted as presented.

Ms. Graves officiated over the election of directors. Upon a motion duly made and seconded by Arturo Gabaldón, the members elected Arturo R Gabaldón, Ronald J Woelfel, and John R Woerner each to serve as a Director for three-year terms ending in 2027 and Terry Goewert to fulfill a two-year vacancy as a Director ending in 2026, with 1,478 votes in favor, and none opposed.

Mr. Cooke, Chair, Mr. Gabaldón, President, and Mr. Hanhart, Treasurer, presented reports. Ms. Graves reported no unfinished or new business. Mr. Cooke addressed questions and comments. The meeting adjourned at 10:33 AM.

ATTEST:

Heather Graves, Clerk of the Board