ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

C

W-02370A
Chino Meadows II Water Company
PO Box 350
Chino Valley, AZ 86323

RECEIVED
APR 1 6 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007

FOR COMMISSION USE

ANN 04	07

PROCESSED BY:
4-16-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Chino Meadows II Water Co., Inc

Mailing Address 2465 W Shane Drive
(Street)

Prescott (City) AZ (State) 86305 (Zip)

928-717-2616 Telephone No. (Include Area Code) 928-717-2621 Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

Local Office Mailing Address 2465 W Shane Drive
(Street)

Prescott (City) AZ (State) 86305 (Zip)

928-717-2616 Local Office Telephone No. (Include Area Code) 928-717-2621 Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: Craig Garvin (Name) Vice President (Title)

2465 W Shane Drive (Street) Prescott (City) AZ (State) 86305 (Zip)

928-717-2616 Telephone No. (Include Area Code) 928-717-2621 Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

On Site Manager: Craig Garvin (Name)

2465 W Shane Drive (Street) Prescott (City) AZ (State) 86305 (Zip)

928-717-2616 Telephone No. (Include Area Code) 928-717-2621 Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

Statutory Agent: Paul D. Levie
(Name)

2465 W Shane Drive — Prescott AZ 86305
(Street) (City) (State) (Zip)

928-717-2616 — 928-717-2621
Telephone No. (Include Area Code) Fax No. (Include Area Code Cell No. (Include Area Code)

Attorney: Paul D. Levie
(Name)

2465 W Shane Drive — Prescott AZ 86305
(Street) (City) (State) (Zip)

928-717-2616 — 928-717-2621
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☒ **C Corporation (C) (Other than Association/Co-op)**
- ☐ **Partnership (P)**
- ☐ **Subchapter S Corporation (Z)**
- ☐ **Bankruptcy (B)**
- ☐ **Association/Co-op (A)**
- ☐ **Receivership (R)**
- ☐ **Limited Liability Company**
- ☐ **Other** (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**	☐ **COCHISE**	☐ **COCONINO**
☐ **GILA**	☐ **GRAHAM**	☐ **GREENLEE**
☐ **LA PAZ**	☐ **MARICOPA**	☐ **MOHAVE**
☐ **NAVAJO**	☐ **PIMA**	☐ **PINAL**
☐ **SANTA CRUZ**	☒ **YAVAPAI**	☐ **YUMA**
☐ **STATEWIDE**		

COMPANY NAME	Chino Meadows II Water Co. Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	6,843.02	5,822.95	1,020.07
302	Franchises			
303	Land and Land Rights	15,204.06	0000	15,204.06
304	Structures and Improvements	44,339.01	24,888.46	19,450.55
305	Collecting & Impound	4,349.74	2,236.10	2,113.64
307	Wells and Springs	27,448.37	20,013.45	7,434.92
309	Supply Mains	1,009.21	593.02	416.19
311	Pumping Equipment	46,967.74	26,076.78	20,890.96
320	Water Treatment Equipment	5,105.83	2,189.57	2,916.26
330	Distribution Reservoirs and Standpipes	51,683.88	40,841.89	10,841.99
331	Transmission and Distribution Mains	266,539.46	207,294.82	59,244.64
333	Services	30,067.16	18,333.14	11,734.02
334	Meters and Meter Installations	75,684.74	50,508.93	25,175.81
335	Hydrants	12,041.55	6,761.79	5,279.76
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	16,479.61	3,960.23	12,519.38
340	Office Furniture and Equipment	9,346.02	5,568.73	3,777.29
341	Transportation Equipment	80,469.58	22,649.92	57,819.66
343	Tools, Shop and Garage Equipment	949.18	466.24	482.94
344	Laboratory Equipment			
345	Power Operated Equipment	24,704.47	14,799.83	9,904.64
346	Communication Equipment			
347	Computer & Software	22,083.50	4,030.75	18,052.75
348	Other Tangible Plant			
	TOTALS	741,316.13	457,036.60	284,279.53

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

COMPANY NAME Chino Meadows II Water Co., Inc

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	6,843.02	5%	342.15
302	Franchises			
303	Land and Land Rights	15,204.06		0
304	Structures and Improvements	44,339.01	5%	2,216.96
307	Wells and Springs	4,349.74	5%	217.49
	Collection & Impound	27,448.37	5%	917.62
309	Supply Mains	1,009.21	5%	50.46
311	Pumping Equipment	46,967.74	5%	2,263.03
320	Water Treatment Equipment	5,105.83	5%	255.28
330	Distribution Reservoirs and Standpipes	51,683.88	5%	2,584.19
331	Transmission and Distribution Mains	266,539.46	5%	4,728.44
333	Services	30,067.16	5%	1,131.36
334	Meters and Meter Installations	75,684.74	5%	3,759.59
335	Hydrants	12,041.55	5%	602.08
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	16,479.61	5%	758.74
340	Office Furniture and Equipment	9,346.02	5%	431.05
341	Transportation Equipment	80,469.58	5%	4,023.49
343	Tools, Shop and Garage Equipment	949.18	5%	47.46
344	Laboratory Equipment			
345	Power Operated Equipment	24,704.47	5%	1,235.22
346	Communication Equipment			
347	Miscellaneous Equipment Office & software	22,083.50	5%	1,104.17
348	Other Tangible Plant			
	TOTALS	741,316.13	5%	26,668.78

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

COMPANY NAME	Chino Meadows II Water Co., Inc

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 64,513.40	$ 126,642.00
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	26,972.17	24,537.00
146	Notes/Receivables from Associated Companies	33.82	737.00
151	Plant Material and Supplies	2,706.59	8,425.00
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	$ 94.225.98	$ 162,072.00
	FIXED ASSETS		
101	Utility Plant in Service	$756,527.17	$ 741,317.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(430,367.91)	(457,030.00)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$326,149.26	$ 292,843.00
	TOTAL ASSETS	$420,385.24	$ 454,915.00

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

COMPANY NAME	Chino Meadows II Water Co., Inc

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$ 2,548.66	$ 5,132.00
232	Notes Payable (Current Portion)	21,311.18	
234	Notes/Accounts Payable to Associated Companies	12,937.86	45,239.00
235	Customer Deposits	52,292.76	42,998.00
236	Accrued Taxes	7,472.74	11,619.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	$96,563.20	$33,002.00
	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	102,867.75	102,715.00
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	12,473.78	9,843.00
272	Less: Amortization of Contributions	(1,960.87)	
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	$ 113,380.66	$112,558.00
	TOTAL LIABILITIES	$232,029.12	$250,548.00
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$ 8,597.00	$ 8,597.00
211	Paid in Capital in Excess of Par Value	80,266.00	80,266.00
215	Retained Earnings	(31,773.00)	158,607.00
218	Proprietary Capital (Sole Props and Partnerships) Net Income	32,191.30	
	TOTAL CAPITAL Opining Bal Equity	$142,177.67	$
	Treasury Stock	(43,102.277)	(43,102.00)
	Total Capitol	188,356.12	
	TOTAL LIABILITIES AND CAPITAL	$420,385.24	$454,915.00

COMPANY NAME	Chino Meadows II Water Co., Inc

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$358,906.16	$ 356,656.00
460	Unmetered Water Revenue	8.61	
474	Other Water Revenues	8,430.16	8,675.00
	TOTAL REVENUES	$367,344.93	$ 365,331.00
	OPERATING EXPENSES		
601	Salaries and Wages	$ 72,740.63	$ 99,810.00
610	Purchased Water		
615	Purchased Power	21,005.15	21,986.00
618	Chemicals	2,070.05	3,567.00
620	Repairs and Maintenance	27,846.72	6,675.00
621	Office Supplies and Expense	23,151.31	26,994.00
630	Outside Services	39,791.78	40,073.00
635	Water Testing	1,594.00	
641	Rents	9,000.00	7,688.00
650	Transportation Expenses	26,803.91	27,834.00
657	Insurance – General Liability	13,968.00	16,668.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	5,590.24	
675	Miscellaneous Expense Material&Supplies	1,071.22	36,131.00
403	Depreciation Expense	25,132.40	26,669.00
408	Taxes Other Than Income	7,381.74	15,562.00
408.11	Property Taxes	15,545.79	15,562.00
409	Income Tax	6,185.05	4,040.00
	TOTAL OPERATING EXPENSES	$ 298,877.99	$ 349,177.00
	OPERATING INCOME/(LOSS)	$68,466.94	$ 16,153.00
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	$ (69.32)	$ 1,214.00
421	Non-Utility Income	(6,247.75)	
426	Miscellaneous Non-Utility Expenses	(29,140.52)	
427	Interest Expense	(818.05)	
	TOTAL OTHER INCOME/(EXPENSE)	$(36,191.30)	$ 1,1214.00
	NET INCOME/(LOSS)	$ 32,191.30	$ 14,940.00

COMPANY NAME	Chino Meadows II Water Co., Inc

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A		
Source of Loan	Paid off	Paid off		
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 $ 83,711.00

Meter Deposits Refunded During the Test Year $ 14,456.00

COMPANY NAME	Chino Meadows II Water Co. Inc
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-2320	15	225	335	10"	3	1995
55-613770	20	250	450	12"	3	1979

* 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
15	4	7	3
25	1		
5	1		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
67,000	1	5,000	2
20,000	1		
10,000	2		

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

COMPANY NAME	Chino Meadows II Water Co., Inc
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Pvc&gal	2,698'
3		
4	pvc	2,872'
5		
6	pvc	70,214'
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	925
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

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

TREATMENT EQUIPMENT:

STRUCTURES:

1-Quansite Bldg shop 26x38
2-Black Bldg Prssure & Pump House (20x21)&(16x20)
~~1-Frame Bldg-Pressure Pump & house 75x18~~

OTHER:

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

COMPANY NAME: Chino Meadows II Water Co. Inc	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	912	4,120,660	4,124,530	
FEBRUARY	916	3,594,340	3,601,380	
MARCH	928	4,573,580	6,183,680	
APRIL	906	4,591,490	5,755,120	
MAY	925	6,126,290	7,426,510	
JUNE	925	7,467,816	7,759,110	
JULY	912	7,003,224	8,003.314	
AUGUST	912	6,054,570	6,783,121	
SEPTEMBER	903	5,210,930	5,072,164	
OCTOBER	907	4,373,489	4,376,899	
NOVEMBER	916	5,282,283	6,322,940	
DECEMBER	901	3,492,778	3,493,838	
	TOTALS →	61,891,450	68,902,606	

What is the level of arsenic for each well on your system? .006 Tri tanks .006 1800 Donga 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?
(x) Yes ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(x) Yes ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes (x) 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 Chino Meadows II Water Co., Inc **YEAR ENDING 12/31/2007**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: $15,562.00

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.

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED
APR 1 6 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona

COUNTY OF (COUNTY NAME): Yavapai

I, THE UNDERSIGNED — NAME (OWNER OR OFFICIAL) TITLE: Craig Garvin Vice President

OF THE — COMPANY NAME: Chino Meadows II Water Co., 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	2007

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

928-717-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME: Yavapai

THIS 14th DAY OF

MONTH April .20 08

OFFICIAL SEAL
JEANETTE MYRICK
Notary Public - State of Arizona
YAVAPAI COUNTY
My Comm. Expires Oct. 20, 2008

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 10-20-2008

COMPANY NAME Chino Meadows II Water Co., Inc. **YEAR ENDING 12/31/2007**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	To Be Determined
Estimated or Actual Federal Tax Liability	
State Taxable Income Reported	To Be Determined
Estimated or Actual State Tax Liability	

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	To Be Determined
Amount of Gross-Up Tax Collected	
Total Grossed-Up Contributions/Advances	

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	April 14, 2008 **DATE**
Craig Garvin **PRINTED NAME**	Vice President **TITLE**

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED
APR 1 6 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona

COUNTY OF (COUNTY NAME): Yavapai

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL) TITLE: Craig Garvin Vice President

OF THE

COMPANY NAME: Chino Meadows II Water Co., Inc.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only ($)

$ 365,331.00

(THE AMOUNT IN BOX ABOVE INCLUDES $ 2,065.00 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 OR OFFICIAL

928-717-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME: Yavapai

THIS 14th DAY OF

MONTH April 2008

(SEAL)

OFFICIAL SEAL
JEANETTE MYRICK
Notary Public - State of Arizona
YAVAPAI COUNTY
My Comm. Expires Oct. 20, 2008

MY COMMISSION EXPIRES 10-20-08

SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED
APR 1 6 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
Yavapai	
NAME (OWNER OR OFFICIAL)	TITLE
Craig Garvin	Vice President
COMPANY NAME	
Chino Meadows II Water Co. Inc.	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
$ 365,331.00

THE AMOUNT IN BOX AT LEFT INCLUDES $ 2,065.00 IN SALES TAXES BILLED, OR COLLECTED)

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

SIGNATURE OF OWNER OR OFFICIAL

928-717-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th **DAY OF**

(SEAL)

OFFICIAL SEAL
JEANETTE MYRICK
Notary Public - State of Arizona
YAVAPAI COUNTY
My Comm. Expires Oct. 20, 2008

MY COMMISSION EXPIRES 10-20-08

NOTARY PUBLIC NAME	
Jeanette Myrick	
COUNTY NAME	
Yavapai	
MONTH April	.20 08

x Jeanette Myrick
SIGNATURE OF NOTARY PUBLIC

Chino Meadows II Water Co.,Inc
PO Box 350
Chino Valley, AZ 86323
928-717-2616

JPMORGAN CHASE BANK, NA
302 W. GURLEY ST
PRESCOTT, AZ 86301
91-2/1221

1078

10/22/2007

PAY TO THE ORDER OF Ross Jacobs County Treasurer $**7,989.46

Seven Thousand Nine Hundred Eighty-Nine and 46/100********** DOLLARS

Ross Jacobs County Treasurer
1015 Fair St
Prescott, Az 86305-1807

MEMO 2007 2nd half taxes 947-25-131 5 roll # 0156078

⑈001078⑈ ⑆122100024⑆ 7208410 22⑈

Chino Meadows II Water Co., Inc.

1078

Ross Jacobs County Treasurer

10/22/2007

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
2/13/2008	Bill	947-25-131 5	7,989.46	7,989.46		7,989.46
				Check Amount		7,989.46

Chase Bank Checking 2007 2nd half taxes 947-25-131 5 roll # 0156078 7,989.46

Chino Meadows II Water Co., Inc.

1078

Ross Jacobs County Treasurer

10/22/2007

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
2/13/2008	Bill	947-25-131 5	7,989.46	7,989.46		7,989.46
				Check Amount		7,989.46

Chase Bank Checking 2007 2nd half taxes 947-25-131 5 roll # 0156078 7,989.46

558673 (12/07)

CHINO MEADOWS II WATER CO., INC.
P.O. BOX 350
CHINO VALLEY, AZ 86323
(928) 717-2616

THE STOCKMEN'S BANK
CHINO VALLEY, AZ 86323
91-504/1221

14310

2/19/2007

PAY TO THE ORDER OF Ross Jacobs County Treasurer $ **7,521.55

Seven Thousand Five Hundred Twenty-One and 55/100********** DOLLARS

Ross Jacobs County Treasurer

MEMO 2nd half 06 947-25-131 5

⑆014310⑈ ⑆122105045⑆ 5010013257⑈

© 2005 INTUIT INC. # 785 1-800-433-8810

CHINO MEADOWS II WATER CO., INC. 14310

Ross Jacobs County Treasurer 2/19/2007

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
2/19/2007	Bill	2nd half 06 tx	7,521.55	7,521.55		7,521.55
					Check Amount	7,521.55

The Stockman's Bank 2nd half 06 947-25-131 5 7,521.55

CHINO MEADOWS II WATER CO., INC. 14310

Ross Jacobs County Treasurer 2/19/2007

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
2/19/2007	Bill	2nd half 06 tx	7,521.55	7,521.55		7,521.55
					Check Amount	7,521.55

The Stockman's Bank 2nd half 06 947-25-131 5 7,521.55

PAYMENT RECORD

READY TO REORDER? CALL 1-800-433-8810 OR VISIT US AT www.intuitmarket.com/orderchecks

Chino Meadows II Water Co., Inc
PO Box 350
Chino Valley, AZ 86323
(928)717-2616

NATIONAL BANK OF ARIZONA
CHINO VALLEY, AZ 86323
91-532/1221

14850

10/3/2007

PAY TO THE ORDER OF Ross Jacobs County Treasurer $**50.60

Fifty and 60/100********** DOLLARS

Ross Jacobs County Treasurer

MEMO 2007 taxes 306-24-358 2 Roll#0086662

MP

⑈014850⑈ ⑆122105320⑆ 5010013257⑈

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Chino Meadows II Water Co., Inc

14850

Ross Jacobs County Treasurer

10/3/2007

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
10/3/2007	Bill	2007 tax30624358 2	50.60	50.60		50.60
				Check Amount		50.60

The Stockman's Bank 2007 taxes 306-24-358 2 Roll#0086662 50.60

Chino Meadows II Water Co., Inc

14850

Ross Jacobs County Treasurer

10/3/2007

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
10/3/2007	Bill	2007 tax30624358 2	50.60	50.60		50.60
				Check Amount		50.60

The Stockman's Bank 2007 taxes 306-24-358 2 Roll#0086662 50.60

PAYMENT RECORD