

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-20446A  
Global Water – Santa Cruz Water Company, Inc  
C/o Global Water  
21410 N. 19<sup>th</sup> Ave. Ste. 201  
Phoenix, AZ 85027

RECEIVED  
APR 16 2013  
ACC UTILITIES DIRECTOR

**ANNUAL REPORT**  
**Water**

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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4-18-13

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Global Water – Santa Cruz Water Company, Inc</u>		
Mailing Address <u>21410 N. 19<sup>th</sup> Ave., Ste. 201</u>		
<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>85027</u> (Zip)
<u>623-580-9600</u> Telephone No (Include Area Code)	<u>623-580-9659</u> Fax No. (Include Area Code)	<u>NA</u> Cell No. (Include Area Code)
Email Address <u>ron.fleming@gwresources.com</u>		
<b>Local Office Mailing Address</b> <u>Same as above</u>		
(Street)		
(City)	(State)	(Zip)
Local Office Telephone No (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address _____		

## MANAGEMENT INFORMATION

<input type="checkbox"/> <b>Regulatory Contact:</b> <u>Ron Fleming</u>			
<input type="checkbox"/> <b>Management Contact:</b> <u>Ron Fleming</u> <u>President, Regulated Utilities Division</u>			
(Name) (Title)			
<u>21410 N. 19<sup>th</sup> Ave. Ste. 210</u> (Street)	<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>85027</u> (Zip)
<u>623-580-9600</u> Telephone No (Include Area Code)	<u>623-580-9659</u> Fax No. (Include Area Code)	<u>602-550-2717</u> Cell No. (Include Area Code)	
Email Address <u>ron.fleming@gwresources.com</u>			
<b>On Site Manager:</b> <u>Jon Corwin, Regional Manager</u>			
(Name)			
<u>22590 North Powers Parkway</u> (Street)	<u>Maricopa</u> (City)	<u>AZ</u> (State)	<u>85238</u> (Zip)
<u>520-233-2910</u> Telephone No (Include Area Code)	<u>520-568-6367</u> Fax No. (Include Area Code)	<u>602-550-2717</u> Cell No. (Include Area Code)	
Email Address <u>jon-corwin@gwresources.com</u>			

**Statutory Agent:** Cindy M. Liles  
(Name)

21410 N. 19<sup>th</sup> Avenue, Suite 201 Phoenix AZ 85027  
(Street) (City) (State) (Zip)

623-580-9600 623-580-9659  
Telephone No (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Attorney:** Timothy J. Sabo, Roshka DeWulf & Patten, PLC  
(Name)

400 East Van Buren, Ste. 800 Phoenix AZ 85004  
(Street) (City) (State) (Zip)

602-256-6100 602-256-6800  
Telephone No (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Email Address** tsabo@rdp-law.com

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

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
303	Land and Land Rights	62,847	0	62,847
304	Structures and Improvements	9,566,104	1,810,361	7,755,743
306	Lake, River, Canal Intakes	1,855	0	1,855
307	Wells and Springs	4,462,479	839,915	3,622,564
309	Raw Water and Supply Mains	2,340,773	334,635	2,006,138
310	Power Generation Equipment	324,955	118,001	206,954
311	Pumping Equipment	6,794,238	4,994,477	1,799,761
320	Water Treatment Equipment	37,127	9,453	27,674
330	Distribution Reservoirs and Standpipes	1,378,273	386,081	992,192
331	Transmission and Distribution Mains	44,457,200	5,580,162	38,877,038
333	Services	4,645,439	913,654	3,731,785
334	Meters and Meter Installations	3,870,384	2,092,075	1,778,309
335	Hydrants	4,334,820	541,327	3,793,493
336	Backflow Prevention Devices	15,144	6,597	8,547
339	Other Plant and Misc. Equipment	188,525	100,651	87,874
340	Office Furniture and Equipment	679,306	460,382	218,924
341	Transportation Equipment	582,070	566,936	15,134
343	Tools, Shop and Garage Equipment	82,790	21,772	61,018
344	Laboratory Equipment	102,866	57,901	44,965
345	Power Operated Equipment	80,035	24,272	55,763
346	Communication Equipment	598,359	380,469	217,890
347	Miscellaneous Equipment	87,860	30,277	57,583
348	Other Tangible Plant	5,153,696	2,783,616	2,370,080
354	Structures and Improvements	4,599	77	4,522
390	Office Furniture and Equipment	110,942	28,742	82,200
393	Tools, Shop, and Garage Equipment	216	5	211
396	Communication Equipment	11,131	1,670	9,461

NU		1,553	233	1,320
	<b>TOTALS</b>	<b>\$89,975,586</b>	<b>\$22,083,741</b>	<b>\$65,891,845</b>

This amount goes on the Balance Sheet Acct. No. 108 \_\_\_\_\_ ↗

**COMPANY NAME: GLOBAL WATER – SANTA CRUZ WATER COMPANY****CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
303	Land and Land Rights	62,847	0%	0
304	Structures and Improvements	9,566,104	3%	319,120
306	Lake, River, Canal Intakes	1,855	0%	0
307	Wells and Springs	4,462,479	3%	148,667
309	Raw Water and Supply Mains	2,340,773	2%	46,865
310	Power Generation Equipment	324,955	5%	21,331
311	Pumping Equipment	6,794,238	13%	777,106
320	Water Treatment Equipment	37,127	3%	4,109
330	Distribution Reservoirs and Standpipes	1,378,273	2.22 or 5%	45,858
331	Transmission and Distribution Mains	44,457,200	2%	885,747
333	Services	4,645,439	3%	154,711
334	Meters and Meter Installations	3,870,384	8%	334,212
335	Hydrants	4,334,820	2%	86,371
336	Backflow Prevention Devices	15,144	7%	1,029
339	Other Plant and Misc. Equipment	188,525	7%	18,065
340	Office Furniture and Equipment	679,306	6.67 or 33.33%	35,600
341	Transportation Equipment	582,070	20%	23,600
343	Tools, Shop and Garage Equipment	82,790	5%	4,207
344	Laboratory Equipment	102,866	10%	10,485
345	Power Operated Equipment	80,035	5%	3,948
346	Communication Equipment	598,359	10%	76,864
347	Miscellaneous Equipment	87,860	10%	9,405
348	Other Tangible Plant	5,153,696	10%	514,006
354	Structures and Improvements	4,599	3.33%	77
390	Office Furniture and Equipment	110,942	6.67 or 20%	16,832
393	Tools, Shop, and Garage Equipment	216	5%	5
396	Communication Equipment	11,131	10%	1,113

NU		1,553	10%	155
	<b>TOTALS</b>	<b>\$89,975,586</b>		<b>\$3,539,488</b>

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



**BALANCE SHEET**

<b>Acct No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$1,300	\$1,800
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	726,634	658,686
143	Accumulated Provision for Uncollectible Accounts	(48,594)	(47,651)
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	12,616	3,483
162	Prepayments	2,916	13,410
174	Miscellaneous Current and Accrued Assets	424,558	545,519
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$1,119,430</b>	<b>\$1,175,247</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$90,069,498	\$89,975,586
103	Property Held for Future Use	0	
105	Construction Work in Progress	24,926,075	24,919,162
108	Accumulated Depreciation – Utility Plant	(19,047,719)	(22,083,741)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	<b>TOTAL FIXED ASSETS</b>	<b>\$95,947,854</b>	<b>\$92,811,007</b>
190	Accumulated Deferred Income Taxes	9,064,725	0
	<b>TOTAL OTHER ASSETS</b>	<b>\$9,064,725</b>	<b>\$0</b>
	<b>TOTAL ASSETS</b>	<b>\$106,132,009</b>	<b>\$93,986,254</b>

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

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$1,275,479	\$1,352,296
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	1,193,499	1,342,124
236	Accrued Taxes	357,529	403,605
237	Accrued Interest	187,371	248,130
241	Miscellaneous Current and Accrued Liabilities	332,998	179,917
253	Other Deferred Credits	236,240	124,024
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$3,583,116</b>	<b>\$3,650,096</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$0	\$0
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	33,414,961	33,238,105
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	27,622,978	28,273,608
272	Less: Amortization of Contributions	(1,323,114)	(1,626,753)
281	Accumulated Deferred Income Tax	469,253	0
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$60,184,078</b>	<b>\$59,884,960</b>
	<b>TOTAL LIABILITIES</b>	<b>\$63,767,194</b>	<b>\$63,535,056</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 10	\$10
211	Paid in Capital in Excess of Par Value	24,766,785	19,357,607
215	Retained Earnings	17,598,020	11,093,582
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	<b>TOTAL CAPITAL</b>	<b>\$ 42,364,815</b>	<b>\$30,451,199</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$106,132,009</b>	<b>\$93,986,254</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$10,182,118	\$10,203,103
460	Unmetered Water Revenue	143,998	\$144,309
474	Other Water Revenues	362,485	312,312
	<b>TOTAL REVENUES</b>	<b>\$10,688,601</b>	<b>\$10,659,724</b>
	<b>OPERATING EXPENSES</b>		
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 1,123,579	\$ 1,316,628
604	Employee Pensions and Benefits	2,368	11,118
610	Purchased Water	-	-
615	Purchased Power	765,602	786,114
616	Fuel for Power Production	-	91
618	Chemicals	53,087	44,393
620	Materials and Supplies	48,356	61,431
621	Office Supplies and Expense	89,463	48,978
631	Contractual Services – Eng.	-	(500)
632	Contractual Services – Acctg.	147,188	210,213
633	Contractual Services – Management Fees	665,473	685,339
634	Contractual Services - Legal	62,927	84,712
635	Contractual Services - Testing	32,871	25,627
636	Contractual Services - Other	190,858	86,691
641	Rental of Building	107,557	108,678
642	Rental of Equipment	14,416	18,029
650	Transportation Expenses	67,734	60,078
657	Insurance – General Liability	74,487	74,880
658	Insurance – Workers Comp	16,800	14,280
659	Insurance - Other	96,345	116,691
660	Advertising Expense	12,999	3,807
666	Regulatory Commission Expense – Rate Case	53,333	53,333
667	Regulatory Commission Expense - Other	-	2,052
670	Bad Debt Expense	55,174	34,518
675	Miscellaneous Expense	358,337	482,295
403	Depreciation Expense	3,602,072	3,539,488
403	Depreciation Expense –CIAC Amortization	(278,000)	(303,639)
408	Taxes Other Than Income	98,305	97,080
408	Property Taxes	724,598	811,808
409	Income Tax	935,304	8,789,966
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 9,121,233</b>	<b>\$ 17,264,179</b>
	<b>OTHER INCOME/(EXPENSE)</b>		

419	Interest and Dividend Income	\$ 0	\$0
421	Non-Utility Income	17,224	15,120
426	Miscellaneous Non-Utility Expenses	(5,120)	0
427	Interest Expense	(89,804)	(109,597)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>(\$77,700)</b>	<b>(\$94,477)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$1,489,668</b>	<b>(\$6,698,932)</b>

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
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 \$1,342,124

Meter Deposits Refunded During the Test Year \$678,341.08

**COMPANY NAME: GLOBAL WATER – SANTA CRUZ WATER COMPANY**

**Name of System: Southwest** **ADEQ Public Water System Number: TBD**

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-612249 Amarillo Creek South Well			1,000	20		1971
55-612250 Sunset Canyon Well			1,200	16		1978
55-612416 Amarillo Creek East Well	350	2100	904	18	10	1957
55-625626 Palomino Ranch Well			933	20		1969

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
150	1		
25	1		
75	1		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
	1	10,000 GAL	1

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

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

<b>Size (in inches)</b>	<b>Material</b>	<b>Length (in feet)</b>
<b>16</b>	DIP	99
<b>20</b>	DIP	13,047
<b>24</b>	DIP	16,477
<b>30</b>	DIP	6,562
<b>12</b>	PVC	98
<b>16</b>	PVC	22,383

**CUSTOMER METERS**

<b>Size (in inches)</b>	<b>Quantity</b>
<b>5/8 X 3/4</b>	0
<b>3/4</b>	0
<b>1</b>	0
<b>1 1/2</b>	0
<b>2</b>	0
<b>Comp. 3</b>	0
<b>Turbo 3</b>	0
<b>Comp. 4</b>	0

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

**TREATMENT EQUIPMENT:**

Chlorination Injection System at Terrazo WDC

**STRUCTURES:**

Masonry Brick Walls (Terrazo WDC)

**OTHER:**

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

**COMPANY NAME: Santa Cruz Water Company**

**Name of System: Santa Cruz North ADEQ Public Water System Number: AZ-04-11-131**

**WATER COMPANY PLANT DESCRIPTION**

**Wells**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
55-202407 Maricopa Groves Well		1200	0	20		
55-509941 Rancho Mirage Well #1	200	1500	1100	16	12"	1985
55-609593 Sorrento Well			954	20		1958
55-612737 Smith Well	100	1070	1,000	20	8"	1972
55-617338 Vance Well	250	1965	300	20	10"	1973
55-621406 Neely North Well	400	2000	1,000	12	12"	1955
55-621407 Neely West Well	250	1980	700	12	12"	1955
55-624108 Neely East Well	350	2000	1,000	12		1955
55-621410 Porter Road Well	100	1000	400	20	10"	1955
55-622132 Maricopa Meadows Well		1400	600	20	4"	1976
55-624029 Homestead East Well		1200	0	20		1960
55-624031 Homestead West Well		860	1,430	18		1976
55-624037 Glennwilde Well	200	1650	1,992	18	8"	1965
55-801069 Cobblestone Well	200	1280	600	12	10"	1957
55-220627 Rancho Mirage Well #2	300	2800	990	20	12"	2011

\* 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
	1	2,094	
150	6		

18	2		
200	1		
25	1		
40	4		
50	5		
75	6		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
1,500,000 GAL	2	10,000 GAL	5
2,500,000 GAL	1	10,000 GAL	1
500,000 GAL	1	10,000 GAL	1
500,000 GAL	1	10,000 GAL	1

**COMPANY NAME: Global Water - Santa Cruz Water Company**

**Name of System: Santa Cruz North**

**ADEQ Public Water System Number: AZ-04-11-131**

**MAINS**

Size (in Inches)	Material	Length (in Feet)
		145
16		17
24		25
36		90
2	CU	82
16	CU	110
-99	DIP	16
6	DIP	61
8	DIP	73,278
12	DIP	22,962
16	DIP	48,004
20	DIP	13,095
24	DIP	17,095
30	DIP	6,562
36	DIP	131
12	DIP150	33
16	DIP150	37
8	DIP250	17
12	DIP250	10
16	DIP250	187
24	DIP250	36
8	DIP350	33
12	DIP350	623
16	DIP350	581
24	DIP350	3
30	DIP350	209
-99	PVC	35
4	PVC	458
6	PVC	37,151
8	PVC	758,573
10	PVC	6,166
12	PVC	151,403
16	PVC	136,267
20	PVC	66
12	PVCCL1	112

**CUSTOMER METERS**

Size (in Inches)	Quantity
<b>5/8</b>	<b>1.809</b>
<b>3/4</b>	<b>15.281</b>
<b>1</b>	<b>205</b>
<b>1.5</b>	<b>61</b>
<b>2</b>	<b>162</b>
<b>3</b>	<b>10</b>
<b>4</b>	<b>4</b>

**COMPANY NAME: Global Water - Santa Cruz Water Company****Name of System: Santa Cruz North****ADEQ Public Water System Number: AZ-04-11-131**

12	PVCCL2	1,782
16	PVCNP	2,295
6	STL	77
12	STL	284
16	STL	457
20	STL	94
24	STL	17,694
30	STL	223
36	STL	102
42	STL	198
-99	UNK	1,134
1	UNK	27
2	UNK	499
3	UNK	178
4	UNK	208
6	UNK	61
8	UNK	1,202
12	UNK	64
16	UNK	372

ABS = Acrylonitrile-Butadiene-Styrene  
AC = Asbestos Cement  
ACP = Asbestos Concrete Pipe  
ASWP = American Spiral Weld Pipe  
CU = Copper  
DIP = Ductile Iron Pipe  
DIP150 = 150# Ductile Iron Pipe  
DIP250 = 250# Ductile Iron Pipe  
DIP350 = 350# Ductile Iron Pipe

GALV = Galvanized Steel Pipe  
PVC = Polyvinyl Chloride  
PVCCL1 = PVC 900 CL 150  
PVCCL2 = PVC 900 CL 200  
PVCNP = PVC - Not Purple  
SDRCL1 = PVC SDR 26 CL 160  
STEEL = Steel  
UNK = Unknown  
-99 = Unknown

**COMPANY NAME: Global Water - Santa Cruz Water Company**

**Name of System: Santa Cruz North**

**ADEQ Public Water System Number: AZ-04-11-131**

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

**TREATMENT EQUIPMENT:**

Chlorine Injection Systems at Main Water Distribution Center and at Groves WDC and Meadows WDC

**STRUCTURES:**

Mobile Mini Trailer

Masonry Brick Walls (Vance Well, WTP, WDC's)

Office Trailer at Maricopa Meadows

Office/Customer Service Center 25,000 sf

2 x 40' Connex

**OTHER:**

SCADA Communications System & Video Monitoring System

ITRON 2.0 Radio AMI System (endpoints, handhelds)

ITRON Fixed Network 2.5 AMR System (CCUs, endpoints)

Trailer Mounted Emergency Generator

Switchgear for Distribution Systems & Well Sites

1 x 600 kW Emergency D/G

2 x Chevrolet Trailblazer

7 x Silverado Utility Vehicles

3 x Colorado Utility Vehicles

5 x Service Body Vehicles

1 x Econoline Van

1 x Hybrid Civic

1 x Prius

1 x 1000 Gallon Fuel Trailer

1 x Valve Exercise Machine

1 x 20' Utility Trailer

1 x 1250 kva Emergency Generator

1 x 950 kva Emergency Generator

1 x Dump Truck

1 x Backhoe

1 x Equipment Trailer

1 x Service Trailer

**COMPANY NAME: GLOBAL WATER – SANTA CRUZ WATER COMPANY**

**Name of System: Santa Cruz North**

**ADEQ Public Water System Number: AZ04-11-131**

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012**

<b>MONTH</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD (Thousands)</b>	<b>GALLONS PUMPED (Thousands)</b>	<b>GALLONS PURCHASED (Thousands)</b>
<b>JANUARY</b>	16,057	113,239	122,255	
<b>FEBRUARY</b>	16,101	110,914	118,596	
<b>MARCH</b>	16,182	124,130	139,455	
<b>APRIL</b>	16,200	145,136	160,504	
<b>MAY</b>	16,276	181,835	203,164	
<b>JUNE</b>	16,336	238,667	250,718	
<b>JULY</b>	16,314	213,385	212,164	
<b>AUGUST</b>	16,391	177,740	193,640	
<b>SEPTEMBER</b>	16,458	166,534	166,616	
<b>OCTOBER</b>	16,478	136,721	177,419	
<b>NOVEMBER</b>	16,509	169,246	153,474	
<b>DECEMBER</b>	16,504	135,287	136,576	
<b>TOTALS →</b>		1,912,836	2,034,581	

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

ADWR #55-621407 Neely West Well 0.0100 mg/l  
ADWR #55-621406 Neely North Well 0.0090 mg/l  
ADWR #55-200627 Rancho Mirage Well #2 0.0072 mg/l

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 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: 125

<b>COMPANY NAME: GLOBAL WATER – SANTA CRUZ WATER COMPANY</b>	
<b>Name of System: Santa Cruz North</b>	<b>ADEQ Public Water System Number: AZ-04-11-131</b>

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-410.B</b>	<b>Termination with Notice R14-2-410.C</b>	<b>OTHER</b>
<b>JANUARY</b>	0	132	
<b>FEBRUARY</b>	0	152	
<b>MARCH</b>	0	97	
<b>APRIL</b>	0	105	
<b>MAY</b>	0	111	
<b>JUNE</b>	0	94	
<b>JULY</b>	0	167	
<b>AUGUST</b>	0	116	
<b>SEPTEMBER</b>	0	87	
<b>OCTOBER</b>	0	132	
<b>NOVEMBER</b>	0	114	
<b>DECEMBER</b>	0	113	
<b>TOTALS →</b>	<b>0</b>	<b>1,420</b>	

OTHER (description):

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**COMPANY NAME: GLOBAL WATER – SANTA CRUZ WATER COMPANY  
YEAR ENDING 12/31/2012**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2012 was: \$371,831.48

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. Certain additional property tax amounts are owing for 2012, which the company intends to pay when funds become available.

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**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

RECEIVED   
**APR 16 2013**  
ACC UTILITIES DIRECTOR

**VERIFICATION**

STATE OF ARIZONA      COUNTY OF MARICOPA  
I, THE UNDERSIGNED      RON FLEMING, PRESIDENT, REGULATED UTILITIES DIVISION  
OF THE      GLOBAL WATER – SANTA CRUZ WATER COMPANY

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	2012

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**

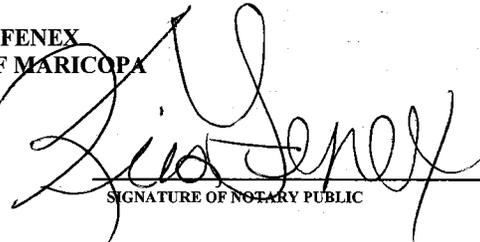
~~I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.~~ See explanation above.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
  
623-580-9600  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME KRIS FENEX  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA  
THIS 15<sup>th</sup> DAY OF APRIL, 2013.

 **KRIS FENEX**  
Notary Public, State of Arizona  
Maricopa County  
My Commission Expires  
January 09, 2017

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES \_\_\_\_\_

**COMPANY NAME: GLOBAL WATER – SANTA CRUZ WATER COMPANY  
YEAR ENDING 12/31/2012**

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>\$2,099,313</u>
Estimated or Actual Federal Tax Liability	<u>\$716,090</u>
State Taxable Income Reported	<u>\$2,099,313</u>
Estimated or Actual State Tax Liability	<u>\$98,742</u>
Amount of Grossed-Up Contributions/Advances:	
Amount of Contributions/Advances	<u>\$831,942</u>
Amount of Gross-Up Tax Collected	<u>\$0</u>
Total Grossed-Up Contributions/Advances	<u>\$831,942</u>

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 15, 2013  
\_\_\_\_\_  
**DATE**

Ron Fleming  
\_\_\_\_\_  
**PRINTED NAME**

President, Regulated Utilities Division  
\_\_\_\_\_  
**TITLE**

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED

APR 16 2013

ACC UTILITIES DIRECTOR

**VERIFICATION**

STATE OF ARIZONA            COUNTY OF MARICOPA  
I, THE UNDERSIGNED        RON FLEMING, PRESIDENT  
OF THE                            GLOBAL WATER – SANTA CRUZ WATER COMPANY

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

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2012

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 2012 WAS:**

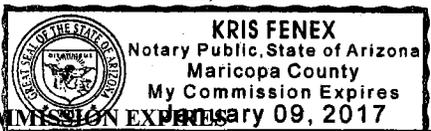
Arizona Intrastate Gross Operating Revenues Only (\$)
<b>\$11,687,892</b>

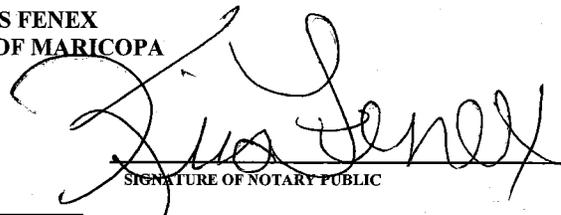
**(THE AMOUNT IN BOX ABOVE  
INCLUDES \$1,028,056  
IN SALES TAXES BILLED, OR COLLECTED)**

**\*\*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  
623-580-9600  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME KRIS FENEX  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA  
THIS 15<sup>th</sup> DAY OF APRIL, 2013.**

  
**KRIS FENEX  
Notary Public, State of Arizona  
Maricopa County  
My Commission Expires  
January 09, 2017**

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

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

RECEIVED  
**APR 16 2013**  
ACC UTILITIES DIRECTOR

**VERIFICATION**

STATE OF ARIZONA            COUNTY OF MARICOPA  
I, THE UNDERSIGNED        RON FLEMING, PRESIDENT, REGULATED UTILITIES DIVISION  
OF THE                            GLOBAL WATER – SANTA CRUZ WATER COMPANY

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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 2012 WAS:

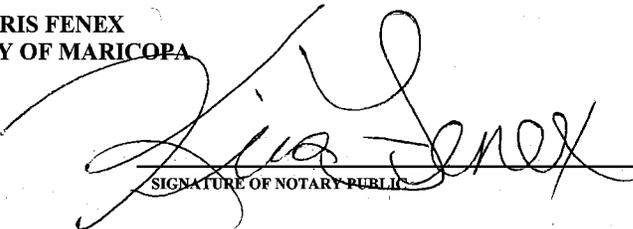
ARIZONA INTRASTATE GROSS OPERATING REVENUES  <b><u>\$7,901,349</u></b>
--

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$772,883  
IN SALES TAXES BILLED, OR COLLECTED)

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

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
  
623-580-9600  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME KRIS FENEX  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA  
THIS 15<sup>th</sup> DAY OF APRIL, 2013.

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

 <b>KRIS FENEX</b> Notary Public, State of Arizona Maricopa County My Commission Expires <b>January 09, 2017</b>
--

MY COMMISSION EXPIRES