

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02312A
Halcyon Acres Annex #2 Water Company, Inc.
PO Box 85160
Tucson, AZ 85754

RECEIVED

APR 15 2013

AZ CORP COMM
Director - Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

| | | |
|----|----|------|
| 12 | 31 | 2012 |
|----|----|------|

FOR COMMISSION USE

| | |
|--------|----|
| ANN 04 | 12 |
|--------|----|

4-18-13

| | | | |
|---|-----------------------------|------------------------------|--------------|
| Statutory Agent: <u>Walter Gene Wilcox</u> | | | |
| (Name) | | | |
| <u>8715 E 20th St</u> | <u>Tucson</u> | <u>AZ</u> | <u>85710</u> |
| (Street) | (City) | (State) | (Zip) |
| <hr/> | | | |
| <u>520-298-2704</u> | | | |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| <hr/> | | | |
| Attorney: <u>Gregory Good</u> | | | |
| (Name) | | | |
| <u>33 N Stone Ave, #2040</u> | <u>Tucson</u> | <u>AZ</u> | <u>85701</u> |
| (Street) | (City) | (State) | (Zip) |
| <hr/> | | | |
| <u>520-628-8221</u> | <u>520-547-0394</u> | | |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| <hr/> | | | |
| Email Address _____ | | | |

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

Company Name: Halcyon Acres Annex #2 Water Co., Inc.

UTILITY PLANT IN SERVICE

| Acct. No. | Description | Original Cost (OC) | Accumulated Depreciation (AD) | OCLD (OC less AD) |
|-----------|--------------------------------------|--------------------|-------------------------------|-------------------|
| 301 | Organization | | | \$ - |
| 302 | Franchises | | | - |
| 303 | Land & Land Rights | 2,420 | | 2,420 |
| 304 | Structures & Improvements | 1,760 | 1,760 | - |
| 307 | Wells & Springs | 36,679 | 36,679 | - |
| 311 | Pumping Equipment | 6,337 | 6,337 | - |
| 320 | Water Treatment Equipment | | | - |
| 330 | Distribution Reservoirs & Standpipes | 4,465 | 4,465 | - |
| 331 | Transmission & Distrib. Mains | 21,947 | 21,947 | - |
| 333 | Services | 2,470 | 2,470 | - |
| 334 | Meters & Meter Installations | 2,314 | 1,917 | 397 |
| 335 | Hydrants | 1,000 | 1,000 | - |
| 336 | Backflow Prevention Devices | | | - |
| 339 | Other Plant & Misc Equipment | | | - |
| 340 | Office Furniture & Equipment | | | - |
| 340.1 | Computers & Software | | | - |
| 341 | Transportation Equipment | | | - |
| 343 | Tools, Shop & Garage Equip. | | | - |
| 344 | Laboratory Equipment | | | - |
| 345 | Power Operated Equipment | | | - |
| 346 | Communications Equipment | | | - |
| 347 | Miscellaneous Equipment | 1,019 | 980 | 39.16 |
| 348 | Other Tangible Plant | | | - |
| | TOTALS | \$ 80,411 | \$ 77,555 | \$ 2,856 |

Total Accumulated Depreciation amount goes on the Balance Sheet Acct. No. 108

Company Name: Halcyon Acres Annex #2 Water Co., Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

| Acct. No. | DESCRIPTION | Original Cost (1) | Depreciation Percentage (2) | Depreciation Expense (1x2) |
|-----------|---|-------------------|-----------------------------|----------------------------|
| 301 | Organization | \$ - | | \$ - |
| 302 | Franchises | - | | - |
| 303 | Land & Land Rights | 2,420 | N/A | - |
| 304 | Structures & Improvements | 1,760 | 3.33% | - |
| 307 | Wells & Springs | 36,679 | 3.33% | - |
| 311 | Pumping Equipment | 6,337 | 12.5000% | - |
| 320 | Water Treatment Equipment | - | 3.33% | - |
| 330 | Distribution Reservoirs & Standpipes | 4,465 | 2.2200% | - |
| 331 | Transmission & Distrib. Mains | 21,947 | 2.0000% | - |
| 333 | Services | 2,470 | 3.33% | - |
| 334 | Meters & Meter Installations ¹ | 2,314 | 8.3300% | 42 |
| 335 | Hydrants | 1,000 | 2.0000% | - |
| 336 | Backflow Prevention Devices | - | 6.6700% | - |
| 339 | Other Plant & Misc Equipment | - | 6.6700% | - |
| 340 | Office Furniture & Equipment | - | 6.6700% | - |
| 340.1 | Computers & Software | - | 33.3300% | - |
| 341 | Transportation Equipment | - | 20.0000% | - |
| 343 | Tools, Shop & Garage Equip. | - | 5.0000% | - |
| 344 | Laboratory Equipment | - | 10.0000% | - |
| 345 | Power Operated Equipment | - | 5.0000% | - |
| 346 | Communications Equipment | - | 10.0000% | - |
| 347 | Miscellaneous Equipment | 1,019 | 10.0000% | 102 |
| 348 | Other Tangible Plant | | 10.0000% | - |
| | TOTALS | \$ 80,411 | | \$ 144 |

CIAC Amortization (1,026)

Net Depreciation \$ (882)

¹ \$1813 of the total is fully depreciated

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

Company Name: Halcyon Acres Annex #2 Water Co., Inc.

BALANCE SHEET

| Acct. No. | | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|-----------|---|------------------------------|------------------------|
| | ASSETS | | |
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$ 15,999 | \$ 21,109 |
| 134 | Working Funds | | |
| 135 | Temporary Cash Investments | | |
| 141 | Customer Accounts Receivable | 2,540 | 1,086 |
| 146 | Notes/Receivables from Associated Companies | | |
| 151 | Plant Material and Supplies | | |
| 162 | Prepayments | | |
| 174 | Miscellaneous Current and Accrued Assets | | |
| | TOTAL CURRENT AND ACCRUED ASSETS | \$ 18,539 | \$ 22,195 |
| | FIXED ASSETS | | |
| 101 | Utility Plant in Service | \$ 80,411 | \$ 80,411 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work In Progress | 25,422 | \$ 35,840 |
| 108 | Accumulated Depreciation - Utility Plant | (76,448) | (77,555) |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation - Non Utility | | |
| | TOTAL FIXED ASSETS | \$ 29,385 | \$ 38,696 |
| | TOTAL ASSETS | \$ 47,924 | \$ 60,891 |

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

Company Name: Halcyon Acres Annex #2 Water Co., Inc.

BALANCE SHEET (CONTINUED)

| Acct. No. | LIABILITIES | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|-----------|---|------------------------------|------------------------|
| | CURRENT LIABILITIES | | |
| 231 | Accounts Payable | | |
| 232 | Notes Payable (Current Portion) | | |
| 234 | Notes/Accounts Payable to Associated Companies | | |
| 235 | Customer Deposits | 50 | 150 |
| 236 | Accrued Taxes | 742 | 341 |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | | |
| | TOTAL CURRENT LIABILITIES | \$ 792 | \$ 491 |
| | 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 | \$ 4,139 | \$ 1,639 |
| 255 | Accumulated Deferred Investment Tax Credits | | |
| 271 | Gross Contributions in Aid of Construction | 13,000 | 30,500 |
| 272 | Less: Amortization of contributions | (2,218) | (3,370) |
| 281 | Accumulated Deferred Income Tax | | |
| | TOTAL DEFERRED CREDITS | \$ 14,921 | \$ 28,769 |
| | TOTAL LIABILITIES | \$ 15,713 | \$ 29,261 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ 6,000 | \$ 6,000 |
| 211 | Paid in Capital in Excess of Par Value | 5,175 | 5,175 |
| 215 | Retained Earnings | 21,036 | 20,456 |
| 218 | Proprietary Capital (Sole Props and Partnerships) | | |
| | TOTAL CAPITAL | \$ 32,211 | \$ 31,631 |
| | TOTAL LIABILITIES AND CAPITAL | \$ 47,924 | \$ 60,891 |

Company Name: Halcyon Acres Annex #2 Water Co., Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR |
|------------------|-------------------------------------|-------------------|---------------------|
| 461 | Metered Water Revenue | \$ 22,794 | \$ 21,117 |
| 462 | Surcharge Revenue | | |
| 474 | Other Water Revenues | | 218 |
| | TOTAL REVENUES | \$ 22,794 | \$ 21,335 |
| | | | |
| | OPERATING EXPENSES | | |
| 601 | Salaries and Wages | | |
| 610 | Purchased Water | 464 | 683 |
| 615 | Purchased Power | 3,756 | 3,161 |
| 618 | Chemicals | | |
| 620 | Repairs and Maintenance | 1,636 | 633 |
| 621 | Office Supplies & Expense | 866 | 281 |
| 630 | Outside Services | 14,466 | 12,591 |
| 635 | Water Testing | 1,215 | 540 |
| 641 | Rents | | |
| 650 | Transportation Expenses | | |
| 657 | Insurance - General Liability | 1,250 | 2,000 |
| 659 | Insurance - Health and Life | | |
| 665 | Regulatory Expenses | | |
| 675 | Miscellaneous Expense | 408 | 697 |
| 403 | Depreciation Expense | (471) | (882) |
| 408 | Taxes Other Than Income | | |
| 408.11 | Property Taxes | 1,852 | 1,321 |
| 409 | Income Tax | (288) | 50 |
| 427.2 | Customer Security Deposit Interest | | |
| | TOTAL OPERATING EXPENSES | \$ 25,154 | \$ 21,075 |
| | | | |
| | OPERATING INCOME/(LOSS) | \$ (2,360) | \$ 260 |
| | | | |
| | OTHER INCOME/(EXPENSE) | | |
| 419 | Interest and Dividend Income | \$ 6 | \$ 6 |
| 421 | Non-Utility Income | | |
| 427 | Interest Expense | | |
| 434 | Extraordinary Deductions | | (838) |
| | TOTAL OTHER INCOME/(EXPENSE) | \$ 6 | \$ (832) |
| | | | |
| | NET INCOME/(LOSS) | \$ (2,354) | \$ (572) |

Company Name: Halcyon Acres Annex #2 Water Co., Inc.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

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

Meter Deposit Balance at Test Year End \$ -

Meter Deposits Refunded During the Test Year \$ -

| | |
|--|---|
| Company Name: Halcyon Acres Annex #2 Water Co., Inc. | |
| Name of System: | ADEQ Public Water System Number: 10-058 |

WATER COMPANY PLANT DESCRIPTION

WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-504418 | 30 | 150 | 750 | 12" | 4" | 1983 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS

| Horsepower | Quantity |
|------------|----------|
| | |
| | |
| | |
| | |

FIRE HYDRANTS

| Quantity Standard | Quantity Other |
|-------------------|-------------------------------|
| | 2 - 2" firefighter standpipes |
| | |
| | |
| | |

STORAGE TANKS

| Capacity | Quantity |
|----------|----------|
| | |
| | |
| | |
| | |

PRESSURE TANKS

| Capacity | Quantity |
|--------------|----------|
| 5,000 gallon | 1 |
| | |
| | |
| | |

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

| | | |
|--|----------------------------------|--------|
| Company Name: Halcyon Acres Annex #2 Water Co., Inc. | | |
| Name of System: | ADEQ Public Water System Number: | 10-058 |

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

| Size (in inches) | Material | Length (in feet) |
|------------------|----------|------------------|
| 2 | | |
| 3 | | |
| 4 | AIC | 7,900 |
| 5 | | |
| 6 | | |
| 8 | | |
| 10 | | |
| 12 | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

CUSTOMER METERS

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 x 3/4 | 39 |
| 3/4 | |
| 1 | |
| 1 1/2 | |
| 2 | 1 |
| Comp. 3 | |
| Turbo 3 | |
| Comp. 4 | |
| Turbo 4 | |
| Comp. 6 | |
| Turbo 6 | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

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

TREATMENT EQUIPMENT:

STRUCTURES:

Shed 16"x16"

OTHER:

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

Company Name: Halcyon Acres Annex #2 Water Co., Inc.
 Name of System: _____ ADEQ Public Water System Number: 10-058

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

| MONTH | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) | GALLONS PURCHASED (Thousands) |
|---------------|---------------------|--------------------------|----------------------------|-------------------------------|
| JANUARY | 36 | 348 | 395 | - |
| FEBRUARY | 36 | 442 | 433 | - |
| MARCH | 36 | 412 | 429 | - |
| APRIL | 36 | 469 | 538 | - |
| MAY | 36 | 735 | 781 | - |
| JUNE | 36 | 809 | 825 | - |
| JULY | 36 | 556 | 617 | - |
| AUGUST | 36 | 705 | 733 | - |
| SEPTEMBER | 36 | 590 | 634 | - |
| OCTOBER | 36 | 591 | 618 | - |
| NOVEMBER | 36 | 481 | 495 | - |
| DECEMBER | 36 | 357 | 384 | - |
| TOTALS | | 6,496 | 6,882 | - |

What is the level of arsenic for each well on your system? <0.001 mg/l
(If more than one well, please list each separately.)

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

If system has chlorination treatment, does this treatment system chlorinate continuously?
 YES NO N/A

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, please provide the GPCPD amount: _____

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

Company Name: Halcyon Acres Annex #2 Water Co., Inc.

Name of System:

ADEQ Public Water System Number:

10-058

UTILITY SHUTOFFS / DISCONNECTS

| MONTH | Termination without Notice R14-2-410.B | Termination with Notice R14-2-410.C | OTHER |
|---------------|---|--|--------------|
| JANUARY | | - | |
| FEBRUARY | | - | |
| MARCH | | - | |
| APRIL | | - | |
| MAY | | - | |
| JUNE | | - | |
| JULY | | - | |
| AUGUST | | - | |
| SEPTEMBER | | - | |
| OCTOBER | | - | |
| NOVEMBER | | - | |
| DECEMBER | | - | |
| TOTALS | - | - | - |

OTHER (description):

COMPANY NAME Halcyon Acres Annex #2 Water Co., Inc.

YEAR ENDING 12/31/12

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2012 was: \$ 1,321.44

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 15 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

| | |
|--------------------------------|---|
| COUNTY OF (COUNTY NAME) | <u>Pima</u> |
| NAME (OWNER OR OFFICIAL) TITLE | <u>Bonnie O'Connor, Manager</u> |
| COMPANY NAME | <u>Halcyon Acres Annex #2 Water Co.</u> |

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

FOR THE YEAR ENDING

| | | |
|-----------|-----------|-------------|
| MONTH | DAY | YEAR |
| <u>12</u> | <u>31</u> | <u>2012</u> |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

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

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

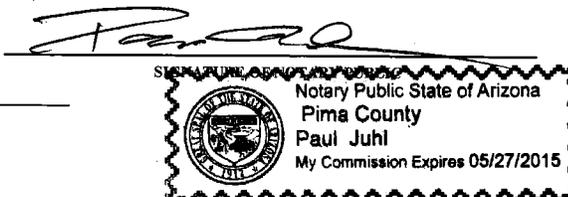
[Signature]
SIGNATURE OF OWNER OR OFFICIAL
520-624-1460
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 10th DAY OF

| | | |
|-------------|--------------|-------------|
| COUNTY NAME | <u>Pima</u> | |
| MONTH | <u>April</u> | <u>2013</u> |

(SEAL)

MY COMMISSION EXPIRES 5/27/2015



COMPANY NAME Halcyon Acres Annex #2 Water Co., Inc.

YEAR ENDING 12/31/12

INCOME TAXES

For this reporting period, provide the following:

| | | |
|---|----|-------|
| Federal Taxable Income Reported | \$ | - |
| Estimated or Actual Federal Tax Liability | \$ | - |
| State Taxable Income Reported | \$ | - |
| Estimated or Actual State Tax Liability | \$ | 50.00 |

Amount of Grossed-Up Contributions/Advances:

| | | |
|---|----|---|
| Amount of Contributions/Advances | \$ | - |
| 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 certified that the Utility has refunded to Payers all gross-up tax refunds reported in the prior years 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

DATE

PRINTED NAME

TITLE

RECEIVED

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

APR 15 2013

AZ CORP COMM Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

Form with fields: COUNTY OF (COUNTY NAME) Pima; NAME (OWNER OR OFFICIAL) TITLE / Bonnie O Connor, Manager; COMPANY NAME Halcyon Acres Annex #2 Water Co.

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

FOR THE YEAR ENDING

Table with columns: MONTH (12), DAY (31), YEAR (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 (\$) \$ 22,875

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 1,534 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; TELEPHONE NUMBER 520-624-1460

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 10th DAY OF

Form with fields: COUNTY NAME Pima; MONTH April; 2013

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/27/15

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

RECEIVED

APR 15 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

| | |
|--|----------------------|
| COUNTY OF (COUNTY NAME) <u>Pima</u> | |
| NAME (OWNER OR OFFICIAL) <u>Bonnie O'Connor</u> | TITLE <u>Manager</u> |
| COMPANY NAME <u>Halcyon Acres Annex #2 Water Co.</u> | |

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.

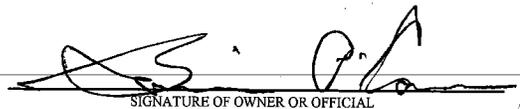
SWORN STATEMENT

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 \$ <u>19,236</u> |
|---|

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 1295 IN SALES TAXES BILLED, OR COLLECTED)

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


SIGNATURE OF OWNER OR OFFICIAL

520-624-1460
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

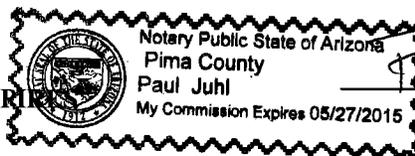
| |
|------------------------|
| <u>10th</u> |
|------------------------|

DAY OF

| | |
|--|-------------|
| NOTARY PUBLIC NAME <u>Paul B. Juhl</u> | |
| COUNTY NAME <u>Pima</u> | |
| MONTH <u>April</u> | <u>2013</u> |

(SEAL)

MY COMMISSION EXPIRES
5/27/2015




SIGNATURE OF NOTARY PUBLIC