

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02860A
Naco Water Company, LLC
PO Box 85160
Tucson, AZ 85754

RECEIVED
APR 11 2013
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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A-12-13

Statutory Agent: Martin F. Ryan
 (Name)

6262 N Swan Rd #290 Tucson AZ 85718
 (Street) (City) (State) (Zip)

520-299-8117 520-299-7860
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Same as above
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

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: Naco Water Company, L.L.C.

UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
301	Organization			\$ -
302	Franchises	198		198
303	Land & Land Rights	4,345		4,345
304	Structures & Improvements	5,918	3,191	2,727
307	Wells & Springs	128,561	49,089	79,472
311	Pumping Equipment	194,487	164,438	30,049
320	Water Treatment Equipment	1,824	1,196	628
330	Distribution Reservoirs & Standpipes	137,771	69,746	68,025
331	Transmission & Distrib. Mains	1,498,997	268,170	1,230,827
333	Services	136,839	35,918	100,921
334	Meters & Meter Installations	46,800	33,315	13,485
335	Hydrants	34,717	15,359	19,358
336	Backflow Prevention Devices			-
339	Other Plant & Misc Equipment			-
340	Office Furniture & Equipment	9,202	9,202	-
340.1	Computers & Software			-
341	Transportation Equipment	20,298	18,268	-
343	Tools, Shop & Garage Equip.	128	97	31
344	Laboratory Equipment			-
345	Power Operated Equipment	2,818	2,818	(0)
346	Communications Equipment			-
347	Miscellaneous Equipment			-
348	Other Tangible Plant			-
	TOTALS	\$ 2,222,903	\$ 670,808	\$ 1,550,065

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

Company Name: Naco Water Company, L.L.C.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$ -		\$ -
302	Franchises	198		-
303	Land & Land Rights	4,345	N/A	-
304	Structures & Improvements	5,918	3.33%	197
307	Wells & Springs	128,561	3.33%	4,281
311	Pumping Equipment ¹	194,487	12.5000%	7,716
320	Water Treatment Equipment	1,824	3.33%	61
330	Distribution Reservoirs & Standpipes	137,771	2.2200%	3,059
331	Transmission & Distrib. Mains	1,498,997	2.0000%	30,002
333	Services	136,839	3.33%	4,557
334	Meters & Meter Installations ²	46,800	8.3300%	1,469
335	Hydrants	34,717	2.0000%	694
336	Backflow Prevention Devices	-	6.6700%	-
339	Other Plant & Misc Equipment	-	6.6700%	-
340	Office Furniture & Equipment	9,202	6.6700%	-
340.1	Computers & Software	-	33.3300%	-
341	Transportation Equipment	20,298	20.0000%	4,060
343	Tools, Shop & Garage Equip.	128	5.0000%	6
344	Laboratory Equipment	-	10.0000%	-
345	Power Operated Equipment	2,818	5.0000%	-
346	Communications Equipment	-	10.0000%	-
347	Miscellaneous Equipment	-	10.0000%	-
348	Other Tangible Plant		10.0000%	-
	TOTALS	\$ 2,222,903		\$ 56,101

¹ \$132,559 of this amount is fully depreciated.

CIAC Amortization (1,541)

² \$28,060 of this amount is fully depreciated.

2012 Depreciation Expense **\$ 54,560**

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

Company Name: Naco Water Company, L.L.C.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 9,165	\$ 209,941
134	Working Funds	166,943	
135	Temporary Cash Investments		
141	Customer Accounts Receivable	35,194	20,179
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	(1,663)	
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 209,639	\$ 230,120
	FIXED ASSETS		
101	Utility Plant in Service	\$ 2,222,376	\$ 2,222,903
103	Property Held for Future Use		
105	Construction Work In Progress		\$ 378,346
108	Accumulated Depreciation - Utility Plant	(614,707)	(670,808)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 1,607,669	\$ 1,930,440
	TOTAL ASSETS	\$ 1,817,308	\$ 2,160,561

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

Company Name: Naco Water Company, L.L.C.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 57,007	\$ 141,197
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	17,893	8,950
236	Accrued Taxes	3,884	1,474
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	\$ 19,000	779
	TOTAL CURRENT LIABILITIES	\$ 97,784	\$ 152,398
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 1,287,375	\$ 1,208,258
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 4,050	\$ 20,753
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	40,133	342,574
272	Less: Amortization of contributions	(20,498)	(25,992)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 23,685	\$ 337,335
	TOTAL LIABILITIES	\$ 1,408,844	\$ 1,697,991
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		\$ 302,746
218	Partners Surviving Trust	\$ 408,464	159,824
	TOTAL CAPITAL	\$ 408,464	\$ 462,570
	TOTAL LIABILITIES AND CAPITAL	\$ 1,817,308	\$ 2,160,561

Company Name: Naco Water Company, L.L.C.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 256,357	\$ 235,327
462	Surcharge Revenue		
474	Other Water Revenues	3,450	6,924
	TOTAL REVENUES	\$ 259,807	\$ 242,251
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 17,118	\$ 16,712
610	Purchased Water		
615	Purchased Power	10,062	8,999
618	Chemicals	1,180	684
620	Repairs and Maintenance	4,911	8,127
621	Office Supplies & Expense	6,772	33,446
630	Outside Services	51,453	58,374
635	Water Testing	3,617	3,596
641	Rents	2,600	2,200
650	Transportation Expenses	8,245	6,073
657	Insurance - General Liability	4,587	5,165
659	Insurance - Health and Life	2,602	3,170
665	Regulatory Expenses		63
675	Miscellaneous Expense	39,304	
403	Depreciation Expense	47,789	54,560
408	Taxes Other Than Income	2,490	1,229
408.11	Property Taxes	16,657	7,555
409	Income Tax	(1,274)	-
	TOTAL OPERATING EXPENSES	\$ 218,113	\$209,952
	OPERATING INCOME/(LOSS)	\$ 41,694	\$ 32,299
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 6	\$ 6
421	Non-Utility Income	912	
427	Interest Expense	(31,270)	(2,023)
434	Extraordinary Deductions		(87,582)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (30,352)	\$ (89,599)
	NET INCOME/(LOSS)	\$ 11,342	\$ (57,300)

Company Name: Naco Water Company, L.L.C.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1/1/2000	4/1/2008		
Source of Loan	WIFA	WIFA		
ACC Decision No.	61070	69393		
Reason for Loan	improvements	improvements		
Dollar Amount Issued	\$ 671,000	\$ 1,160,000	\$ -	\$ -
Amount Outstanding	\$ 212,268	\$ 995,990	\$ -	\$ -
Date of Maturity	1/1/2020	1/1/2041		
Interest Rate	Interest-.735% Fee - 3.0%	Interest - 0.00% Fee - 3.0%	%	%
Current Year Interest	\$ 1,716	\$ -	\$ -	\$ -
Current Year Principal	\$ 42,088	\$ 39,030	\$ -	\$ -

Meter Deposit Balance at Test Year End \$ 19,227

Meter Deposits Refunded During the Test Year \$ 269

Company Name: Naco Water Company, L.L.C.	
Name of System: Well #4	ADEQ Public Water System Number: 02-112

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-551849	15	85	450	8	4	1995

* 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
7.5	2

FIRE HYDRANTS

Quantity Standard	Quantity Other

STORAGE TANKS

Capacity	Quantity
20,000	1

PRESSURE TANKS

Capacity	Quantity
2,000	1

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

Company Name: Naco Water Company, L.L.C.		
Name of System: Well 4	ADEQ Public Water System Number:	02-112

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC (Airport line)	5,500
3		
4	PVC C-900	5,985
5		
6		
8		
10		
12		
2	PVC SCH 80	1,755
1	PVC/STEEL	6,180
	(Goat Ranch line)	

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	72
3/4	
1	1
1 1/2	
2	
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:

Four Chlorinators

STRUCTURES:

1,100' of 6' Chain Link Fence

OTHER:

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

Company Name: Naco Water Company, L.L.C.

Name of System: Town Ship

ADEQ Public Water System Number: 02-024

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-575700	15	182	410	10	4	1999
55-562944	10	80	312	8	3	1997

* 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
5.0	2
15.0	2

FIRE HYDRANTS

Quantity Standard	Quantity Other
18	

STORAGE TANKS

20,000	1
50,000	1

PRESSURE TANKS

Capacity	Quantity
2,000	1
5,000	1

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

Company Name: Naco Water Company, L.L.C.

Name of System: Town Ship

ADEQ Public Water System Number:

02-024

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC/STEEL	1470
3		
4	PVC	8700
5		
6	PVC	13240
8	PVC	330
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	276
3/4	1
1	4
1 1/2	1
2	9
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:

Two Chlorinators

STRUCTURES:

600' of 6' Chain Link Fence

OTHER:

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

Company Name: Naco Water Company, L.L.C.

Name of System: Well Site 3

ADEQ Public Water System Number: 02-133

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-203321	5	35	312	6	2	2004

* 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
5.0	1

FIRE HYDRANTS

Quantity Standard	Quantity Other

STORAGE TANKS

Capacity	Quantity
7,000	1

PRESSURE TANKS

Capacity	Quantity
750	1

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

Company Name: Naco Water Company, L.L.C.

Name of System: Well 3

ADEQ Public Water System Number:

02-133

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC/STEEL	790
3	ABS	1,170
4		
5		
6		
8		
10		
12		
2	PVC	110 (2012)

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	11
3/4	
1	
1 1/2	
2	
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:

Four Chlorinators

STRUCTURES:

1,100' of 6' Chain Link Fence

OTHER:

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

Company Name: Naco Water Company, L.L.C.
 Name of System: _____ Well site 4 _____ ADEQ Public Water System Number: _____ 02-112 _____

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2011

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	57	245	240	-
FEBRUARY	59	235	177	-
MARCH	60	241	249	-
APRIL	60	310	283	-
MAY	60	426	336	-
JUNE	60	455	412	-
JULY	60	433	322	-
AUGUST	58	339	183	-
SEPTEMBER	59	310	220	-
OCTOBER	60	328	322	-
NOVEMBER	60	254	255	-
DECEMBER	60	262	336	-
TOTALS		3,838	3,335	-

What is the level of arsenic for each well on your system? 0.0026 mg/l
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 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: Naco Water Company, L.L.C.
 Name of System: _____ Township _____ ADEQ Public Water System Number: _____ 02-024

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2011

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	244	1,091	1,162	-
FEBRUARY	248	1,337	1,348	-
MARCH	246	1,075	1,349	-
APRIL	248	1,253	1,427	-
MAY	245	1,321	1,512	-
JUNE	246	1,652	1,887	-
JULY	244	1,340	1,639	-
AUGUST	240	1,065	1,135	-
SEPTEMBER	244	1,134	1,285	-
OCTOBER	244	1,307	1,563	-
NOVEMBER	245	1,168	1,336	-
DECEMBER	244	1,273	1,519	-
TOTALS		15,016	17,162	-

What is the level of arsenic for each well on your system? 0.0050 & 0.0058 mg/l
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 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: Naco Water Company, L.L.C.
 Name of System: _____ Well Site 3 _____ ADEQ Public Water System Number: _____ 02-133 _____

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2011

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	11	30	39	-
FEBRUARY	12	39	16	-
MARCH	12	38	33	-
APRIL	12	46	46	-
MAY	12	51	50	-
JUNE	12	70	68	-
JULY	12	68	67	-
AUGUST	12	36	37	-
SEPTEMBER	12	39	40	-
OCTOBER	12	48	51	-
NOVEMBER	12	49	167	-
DECEMBER	12	47	50	-
TOTALS		561	664	-

What is the level of arsenic for each well on your system? _____ 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: Naco Water Company, L.L.C.
 Name of System: Township ADEQ Public Water System Number: 02-024

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		8	
FEBRUARY		27	
MARCH		11	
APRIL		13	
MAY		10	
JUNE		13	
JULY		16	
AUGUST		16	
SEPTEMBER		17	
OCTOBER		9	
NOVEMBER		12	
DECEMBER		-	
TOTALS	-	152	-

OTHER (description):

Company Name: Naco Water Company, L.L.C.

Name of System: Well Site 4

ADEQ Public Water System Number: 02-112

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		-	
FEBRUARY		4	
MARCH		-	
APRIL		1	
MAY		-	
JUNE		1	
JULY		1	
AUGUST		1	
SEPTEMBER		-	
OCTOBER		-	
NOVEMBER		-	
DECEMBER		-	
TOTALS	-	8	-

OTHER (description):

Company Name: Naco Water Company, L.L.C.

Name of System: Well Site 3

ADEQ Public Water System Number: 02-133

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		-	
FEBRUARY		1	
MARCH		-	
APRIL		-	
MAY		-	
JUNE		-	
JULY		-	
AUGUST		-	
SEPTEMBER		-	
OCTOBER		2	
NOVEMBER		-	
DECEMBER		-	
TOTALS	-	3	-

OTHER (description):

COMPANY NAME Naco Water Company, L.L.C.

YEAR ENDING 12/31/12

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2012 was: \$ 14,381.04

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**

APR 13 2013
4:00 PM
PIMA COUNTY

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Connie O'Connor, Manager</u>
COMPANY NAME	<u>Naco Water Company, LLC</u>

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

FOR THE YEAR ENDING

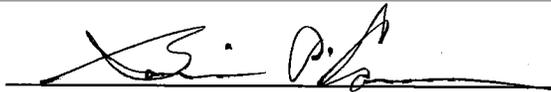
MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2012</u>

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 OF OWNER OR OFFICIAL

570-624-1460

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

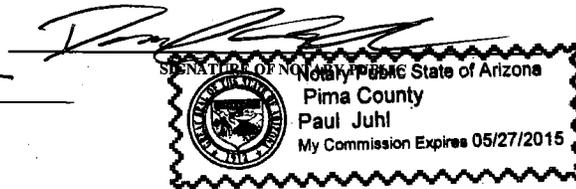
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 9th DAY OF

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

(SEAL)

MY COMMISSION EXPIRES 5/27/2015



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	\$	-
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

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

APR 11 2013
RECORDS DIVISION
PIMA COUNTY

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>Naco Water Company LLC</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 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 (\$)
\$ <u>260,483</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 18,227 IN SALES TAXES BILLED, OR COLLECTED)

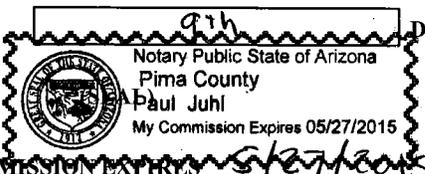
****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
570-624-1460
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 9th DAY OF



COUNTY NAME	<u>Pima</u>
MONTH	<u>April</u> 20 <u>13</u>


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/27/2015

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

RECEIVED
APR 11 2013
AZ COMP COM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

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

COUNTY OF (COUNTY NAME) <u>Pima</u>	
NAME (OWNER OR OFFICIAL) <u>Bonnie D'Connor</u>	TITLE <u>Manager</u>
COMPANY NAME <u>Naco Water Company, LLC</u>	

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

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>\$ 222,463</u>
--

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 15,687 IN SALES TAXES BILLED, OR COLLECTED)

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

Bonnie D'Connor
SIGNATURE OF OWNER OR OFFICIAL
520-624-1460
TELEPHONE NUMBER

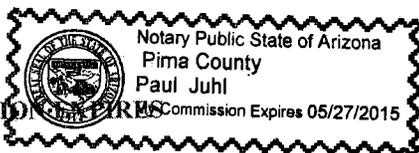
SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 9th DAY OF

NOTARY PUBLIC NAME <u>Paul B. Juhl</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	20 <u>13</u>

(SEAL)

MY COMMISSION EXPIRES

5/27/15



Paul B. Juhl
SIGNATURE OF NOTARY PUBLIC