

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01723A
Rincon Water Company
HC #70 Box 3601
Sahuarita, AZ 85629

RECEIVED

MAR 08 2013

AZ CORP COM
Director - Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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3-11-13

COMPANY INFORMATION

Company Name (Business Name) <u>RINCON WATER COMPANY</u>		
Mailing Address <u>HC #70 BOX 3601</u>		
<small>(Street)</small>		
<u>SAHUARITA, AZ 85629</u>		
<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>(520) 625-1671</u>	<u>(520) 625-1922</u>	<u>NA</u>
<small>Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Cell No. (Include Area Code)</small>
Email Address <u>NA</u>		
Local Office Mailing Address <u>SAME AS ABOVE</u>		
<small>(Street)</small>		
<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>Local Office Telephone No. (Include Area Code)</u>	<u>Fax No. (Include Area Code)</u>	<u>Cell No. (Include Area Code)</u>
Email Address _____		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>KAREN HARTWELL</u> <u>PRESIDENT</u>			
<small>(Name)</small>		<small>(Title)</small>	
<u>HC #70 BOX 3601</u>	<u>SAHUARITA</u>	<u>AZ</u>	<u>85629</u>
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>(520) 625-1671</u>	<u>(520) 625-1922</u>	<u>NA</u>	
<small>Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Cell No. (Include Area Code)</small>	
Email Address _____			
On Site Manager: <u>SAME AS ABOVE</u>			
<small>(Name)</small>			
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>Telephone No. (Include Area Code)</u>	<u>Fax No. (Include Area Code)</u>	<u>Cell No. (Include Area Code)</u>	
Email Address _____			

Statutory Agent: MICHAEL R. URMAN
 (Name)

2525 E BROADWAY BLVD, #200 TUCSON AZ 85716
 (Street) (City) (State) (Zip)

(520) 322-5000 NA NA
 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

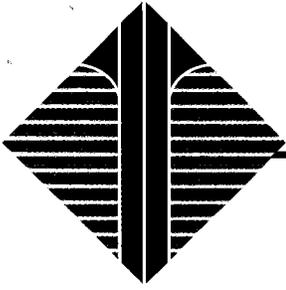
GILA GRAHAM GREENLEE

LA PAZ MARICOPA MOHAVE

NAVAJO PIMA PINAL

SANTA CRUZ YAVAPAI YUMA

STATEWIDE



INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Rincon Water Company
Sahuarita, Arizona

We have compiled the annual report of Rincon Water Company (an S Corporation) for the year ended December 31, 2012 included in the accompanying prescribed form. We have not audited or reviewed the accompanying annual report and, accordingly do not express an opinion or provide any assurance about whether the annual report is in accordance with the form prescribed by the Arizona Corporation Commission, Utilities Division.

Management is responsible for the preparation and fair presentation of the annual report included in the form prescribed by the Arizona Corporation Commission, Utilities Division and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the annual report.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of the annual report without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual report.

The annual report included in the accompanying prescribed form is presented in accordance with the requirements of the Arizona Corporation Commission, Utilities Division, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of Rincon Water Company and the Arizona Corporation Commission, Utilities Division and is not intended to be and should not be used by anyone other than these specified parties.

Roberts & Associates, PLLC

February 27, 2013

COMPANY NAME RINCON WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	1,549
303	Land and Land Rights	141,718	N/A	141,718
304	Structures and Improvements	80,825	60,382	20,443
307	Wells and Springs	30,556	30,556	0
311	Pumping Equipment	59,142	31,035	28,107
320	Water Treatment Equipment	N/A	(60,548)	60,548
330	Distribution Reservoirs and Standpipes	184,730	162,050	22,680
331	Transmission and Distribution Mains	903,095	572,732	330,363
333	Services	34,995	21,323	13,672
334	Meters and Meter Installations	12,665	10,092	2,573
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	78,174	19,439	58,735
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	1,013	487
343	Tools, Shop and Garage Equipment	3,030	1,851	1,179
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	5,963	2,870
347	Miscellaneous Equipment	2,246	786	1,460
348	Other Tangible Plant	N/A	N/A	N/A
	TOTALS	1,543,058	856,674	686,384

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

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME

RINCON WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	N/A
303	Land and Land Rights	141,718	N/A	N/A
304	Structures and Improvements	80,825	5%	4,041
307	Wells and Springs	30,556	5% (limited)	0
311	Pumping Equipment	59,142	5%	2,957
320	Water Treatment Equipment	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	184,730	5%	9,237
331	Transmission and Distribution Mains	903,095	5%	45,155
333	Services	34,995	5%	1,750
334	Meters and Meter Installations	12,665	5%	633
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	78,174	5%	3,909
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	5%	75
343	Tools, Shop and Garage Equipment	3,030	5%	151
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	5%	442
347	Miscellaneous Equipment	2,246	5%	112
348	Other Tangible Plant	N/A	N/A	N/A
	TOTALS	1,543,058		68,462

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

SEE ACCOUNTANT'S COMPILATION REPORT

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4,891	\$ 5,951
134	Working Funds	0	0
135	Temporary Cash Investments	48,685	40,307
141	Customer Accounts Receivable	7,034	5,400
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 60,610	\$ 51,658
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,543,058	\$ 1,543,058
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	(788,213)	(856,674)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 754,845	\$ 686,384
	TOTAL ASSETS	\$ 815,455	\$ 738,042

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
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 546	\$ 123
232	Notes Payable (Current Portion)	16,265	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	8,328	6,645
236	Accrued Taxes	396	311
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	51,057	34,875
	TOTAL CURRENT LIABILITIES	\$ 76,592	\$ 41,954
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	787,108	780,394
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	141,875	141,875
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$ 928,983	\$ 922,269
	TOTAL LIABILITIES	\$ 1,005,575	\$ 964,223
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 588,857	\$ 588,857
211	Paid in Capital in Excess of Par Value	141,073	141,073
215	Retained Earnings	(920,050)	(956,111)
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$ (190,120)	\$ (226,181)
	TOTAL LIABILITIES AND CAPITAL	\$ 815,455	\$ 738,042

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 58,401	\$ 62,479
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 58,401	\$ 62,479
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	0	0
615	Purchased Power	4,230	3,605
618	Chemicals	0	0
620	Repairs and Maintenance	30,001	16,648
621	Office Supplies and Expense	649	717
630	Outside Services	9,068	9,105
635	Water Testing	701	862
641	Rents	0	0
650	Transportation Expenses	0	0
657	Insurance – General Liability	2,540	3,812
659	Insurance - Health and Life	1,194	1,194
666	Regulatory Commission Expense – Rate Case	45	54
675	Miscellaneous Expense	1,790	4,222
403	Depreciation Expense	68,462	68,462
408	Taxes Other Than Income	0	0
408.11	Property Taxes	3,244	3,847
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 121,924	\$ 112,528
	OPERATING INCOME/(LOSS)	\$ (63,523)	\$ (50,049)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 9	\$ 8
421	Non-Utility Income	34,586	14,182
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	(1,294)	(202)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 33,301	\$ 13,988
	NET INCOME/(LOSS)	\$ (30,222)	\$ (36,061)

COMPANY NAME RINCON WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

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

Meter Deposit Balance at Test Year End	\$ 6,645
Meter Deposits Refunded During the Test Year	\$ 1,683

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME RINCON WATER COMPANY

Name of System: RINCON WATER COMPANY **ADEQ Public Water System Number:** AZ 0410144

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
607531	15	1,550	280	12	4	1982
607532	CAPPED	N/A	N/A	N/A	N/A	N/A
607533	5	40	101	24	2	1982

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	20	
40	1		
30	2		
60	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
186,000	1	5,0000	2
20,000	1		
140,000	1		

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

COMPANY NAME RINCON WATER COMPANY

Name of System: RINCON WATER COMPANY ADEQ Public Water System Number: AZ 0410144

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3	N/A	N/A
4	PVC	6,100
5		N/A
6	TRANSITE	40,900
8	PVC	2,377
10	N/A	N/A
12	N/A	N/A
6	PVC	33,033

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	N/A
3/4	N/A
1	72
1 1/2	N/A
2	N/A
Comp. 3	N/A
Turbo 3	N/A
Comp. 4	N/A
Turbo 4	N/A
Comp. 6	N/A
Turbo 6	N/A

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

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

WATER PLANT WITH 2 BUILDINGS AND A POND, ALL LOCATED IN A FENCED SITE

OTHER:

N/A

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

COMPANY NAME: RINCON WATER COMPANY

Name of System: RINCON WATER COMPANY ADEQ Public Water System Number: AZ 0410144

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2011

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	72	489	494	0
FEBRUARY	72	532	581	0
MARCH	72	626	627	0
APRIL	72	751	790	0
MAY	70	895	946	0
JUNE	71	969	1,002	0
JULY	71	938	1,019	0
AUGUST	71	775	850	0
SEPTEMBER	71	961	1,022	0
OCTOBER	69	786	840	0
NOVEMBER	70	684	734	0
DECEMBER	70	594	623	0
TOTALS →		9,000	9,528	0

What is the level of arsenic for each well on your system? 0.0014 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 250 GPM for 1 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: _____

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

COMPANY NAME: RINCON WATER COMPANY
Name of System: RINCON WATER COMPANY ADEQ Public Water System Number: AZ 0410144

UTILITY SHUTOFFS / DISCONNECTS

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

OTHER (description):

COMPANY NAME RINCON WATER COMPANY YEAR ENDING 12/31/2012

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 3,847.13

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

MAR 08 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) PIMA
NAME (OWNER OR OFFICIAL) TITLE KAREN HARTWELL, PRESIDENT
COMPANY NAME RINCON 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.

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

Karen Hartwell
SIGNATURE OF OWNER OR OFFICIAL

520-625-1671
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

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

THIS 7th DAY OF MARCH

ALICIA COLUNGA
NOTARY PUBLIC - ARIZONA
PIMA COUNTY
My Commission Expires
April 20, 2015
MY COMMISSION EXPIRES 4/20/2015

[Signature]
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME RINCON WATER COMPANY

YEAR ENDING 12/31/2012

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>0</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</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.

Karen Hartwell
SIGNATURE

3-7-13
DATE

KAREN HARTWELL
PRINTED NAME

PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAR 05 2013
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) PIMA
NAME (OWNER OR OFFICIAL) TITLE KAREN HARTWELL, PRESIDENT
COMPANY NAME RINCON 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 (\$)
\$ <u>66,903</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4,424
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)

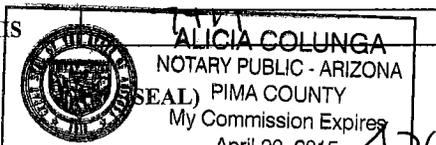
Karen Hartwell
SIGNATURE OF OWNER OR OFFICIAL
520-625-1671
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
DAY OF	<u>2013</u>

THIS



MY COMMISSION EXPIRES

4/20/2015

[Signature]
SIGNATURE OF NOTARY PUBLIC

RECEIVED

MAR 08 2013

AZ CORP COMM
Director - Utilities

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

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) PIMA	
NAME (OWNER OR OFFICIAL) KAREN HARTWELL	TITLE PRESIDENT
COMPANY NAME RINCON 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
\$ 66,903

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 4,424
IN SALES TAXES BILLED, OR COLLECTED)

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

Karen Hartwell
SIGNATURE OF OWNER OR OFFICIAL

520-625-1671
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

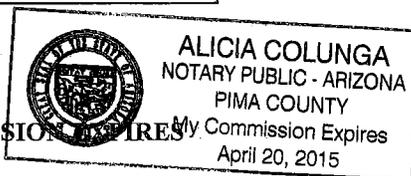
7th

DAY OF

NOTARY PUBLIC NAME Pina	
COUNTY NAME	
MONTH March	20 13

(SEAL)

MY COMMISSION EXPIRES



[Signature]
SIGNATURE OF NOTARY PUBLIC