

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03388A
Seven Canyons Water Company
c/o Avion Holdings, LLC
15290 North 78th Way, Suite B-204
Scottsdale, AZ 85260

RECEIVED

APR 25 2013

AZ CORPORATION
Director - Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

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

FOR COMMISSION USE

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

4-29-13

5-1-13

COMPANY INFORMATION

Company Name (Business Name) <u>Seven Canyons Water Company</u>			
Mailing Address <u>15290 N 78th Way, Suite B-204</u>			
<small>(Street)</small>			
<u>Scottsdale</u>	<u>AZ</u>	<u>85260</u>	
<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>	
<u>480-905-0466</u>	<u>480-905-0469</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>jim@avionholdings.com</u>			
Local Office Mailing Address <u>755 Golf Club Way</u>			
<small>(Street)</small>			
<u>Sedona</u>	<u>AZ</u>	<u>86336</u>	
<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>	
<u>928-203-2254</u>	<u>928-203-2092</u>		
<small>Local Office Telephone No. (Incl Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Cell No. (Include Area Code)</small>	
Email Address <u>jim@avionholdings.com</u>			

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact:			
<u>Jim Lentine</u>	<u>Designated Representative</u>		
<small>(Name)</small>	<small>(Title)</small>		
<u>15290 N 78th Way, Suite B-204</u>	<u>Scottsdale</u>	<u>AZ</u>	<u>85260</u>
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>480-905-0466</u>	<u>480-905-0469</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>jim@avionholdings.com</u>			
On Site Manager: <u>Wendy Ferguson</u>			
<small>(Name)</small>			
<u>755 Golf Club Way</u>	<u>Sedona</u>	<u>AZ</u>	<u>86336</u>
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>928-203-2254</u>	<u>928-203-2092</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>scwatercompany@sevencanyons.com</u>			

Statutory Agent: Jim Lentine
 (Name)

15290 N 78th Way, Suite B-204 Scottsdale AZ 85260
 (Street) (City) (State) (Zip)

480-905-0466 480-905-0469
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: N/A
 (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: Seven Canyons Water Company

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			-
304	Structures & Improvements	1,350	369	981
307	Wells & Springs	593,050	154,250	438,800
311	Pumping Equipment	28,818	7,818	20,999
320	Water Treatment Equipment			-
330	Distribution Reservoirs & Standpipes			-
331	Transmission & Distrib. Mains	222,659	57,891	164,768
333	Services			-
334	Meters & Meter Installations	15,462	4,262	11,200
335	Hydrants			-
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.	898	18	880
344	Laboratory Equipment			-
345	Power Operated Equipment			-
346	Communications Equipment	2,535	2,535	-
347	Miscellaneous Equipment			-
348	Other Tangible Plant			-
	TOTALS	\$ 864,772	\$ 227,144	\$ 637,627

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

Company Name: Seven Canyons Water Company

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	-	N/A	-
304	Structures & Improvements	1,350	3.33%	54
307	Wells & Springs	593,050	3.33%	23,779
311	Pumping Equipment	28,818	12.5000%	1,153
320	Water Treatment Equipment	-	3.33%	-
330	Distribution Reservoirs & Standpipes	-	2.2200%	-
331	Transmission & Distrib. Mains	222,659	2.0000%	8,906
333	Services	-	3.33%	-
334	Meters & Meter Installations	15,462	8.3300%	615
335	Hydrants	-	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.	898	5.0000%	18
344	Laboratory Equipment	-	10.0000%	-
345	Power Operated Equipment	-	5.0000%	-
346	Communications Equipment	2,535	10.0000%	-
347	Miscellaneous Equipment	-	10.0000%	-
348	Other Tangible Plant		10.0000%	-
	TOTALS	\$ 864,772		\$ 34,526

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

Company Name: Seven Canyons Water Company

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 7,009	\$ 23,164
134	Working Funds	250	
135	Temporary Cash Investments		
141	Customer Accounts Receivable	67,953	59,801
146	Notes/Receivables from Associated Companies	\$ 25,940	\$ 25,940
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 101,152	\$ 108,905
	FIXED ASSETS		
101	Utility Plant in Service	\$ 863,718	\$ 864,772
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(192,774)	(227,144)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 670,944	\$ 637,627
	TOTAL ASSETS	\$ 772,096	\$ 746,532

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

Company Name: Seven Canyons Water Company

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 7,009	\$ 23,164
134	Working Funds	\$ 250	
135	Temporary Cash Investments		
141	Customer Accounts Receivable	67,953	59,801
146	Notes/Receivables from Associated Companies	\$ 25,940	\$ 25,940
151	Plant Material and Supplies		
162	Prepayments		3,228
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 101,152	\$ 112,133
	FIXED ASSETS		
101	Utility Plant in Service	\$ 863,718	\$ 864,772
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(192,774)	(227,144)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 670,944	\$ 637,627
	TOTAL ASSETS	\$ 772,096	\$ 749,760

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

Company Name: Seven Canyons Water Company

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 22,524	\$ 4,623
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	6,037	957
	TOTAL CURRENT LIABILITIES	\$ 28,561	\$ 5,580
	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	\$ 25,025	\$ 23,451
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction		
272	Less: Amortization of contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 25,025	\$ 23,451
	TOTAL LIABILITIES	\$ 53,586	\$ 29,031
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value	978,760	978,760
215	Retained Earnings	(261,250)	(262,259)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 718,510	\$ 717,501
	TOTAL LIABILITIES AND CAPITAL	\$ 772,096	\$ 746,532

Company Name: Seven Canyons Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 22,524	\$ 4,623
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	\$ 6,037	957
	TOTAL CURRENT LIABILITIES	\$ 28,561	\$ 5,580
	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	\$ 25,025	\$ 23,451
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction		
272	Less: Amortization of contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 25,025	\$ 23,451
	TOTAL LIABILITIES	\$ 53,586	\$ 29,031
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value	978,760	978,760
215	Retained Earnings	(261,250)	(259,031)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 718,510	\$ 720,729
	TOTAL LIABILITIES AND CAPITAL	\$ 772,096	\$ 749,760

Company Name: Seven Canyons Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 93,377	\$ 101,598
462	Surcharge Revenue		
474	Other Water Revenues		51
	TOTAL REVENUES	\$ 93,377	\$ 101,650
	OPERATING EXPENSES		
601	Salaries and Wages		
610	Purchased Water		
615	Purchased Power	22,271	22,416
618	Chemicals	1,202.00	
620	Repairs and Maintenance	2,226	3,137
621	Office Supplies & Expense	768	2,705
630	Outside Services	67,444	35,980
635	Water Testing	937	530
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
665	Regulatory Expenses		
675	Miscellaneous Expense		211
403	Depreciation Expense	34,834	34,526
408	Taxes Other Than Income	260	81
408.11	Property Taxes	460	3,228
409	Income Tax		
427.2	Customer Security Deposit Interest		
	TOTAL OPERATING EXPENSES	\$ 130,404	\$ 102,815
	OPERATING INCOME/(LOSS)	\$ (37,027)	\$ (1,165)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
427	Interest Expense		
434	Extraordinary Deductions		
	TOTAL OTHER INCOME/(EXPENSE)	\$ -	\$ -
	NET INCOME/(LOSS)	\$ (37,027)	\$ (1,165)

Company Name: Seven Canyons Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 93,377	\$ 101,598
462	Surcharge Revenue		
474	Other Water Revenues		51
	TOTAL REVENUES	\$ 93,377	\$ 101,650
	OPERATING EXPENSES		
601	Salaries and Wages		
610	Purchased Water		
615	Purchased Power	22,271	22,416
618	Chemicals	1,202.00	
620	Repairs and Maintenance	2,226	3,137
621	Office Supplies & Expense	768	2,705
630	Outside Services	67,444	35,980
635	Water Testing	937	530
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
665	Regulatory Expenses		
675	Miscellaneous Expense		211
403	Depreciation Expense	34,834	34,526
408	Taxes Other Than Income	260	81
408.11	Property Taxes	460	-
409	Income Tax		
427.2	Customer Security Deposit Interest		
	TOTAL OPERATING EXPENSES	\$ 130,404	\$ 99,587
	OPERATING INCOME/(LOSS)	\$ (37,027)	\$ 2,063
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
427	Interest Expense		
434	Extraordinary Deductions		
	TOTAL OTHER INCOME/(EXPENSE)	\$ -	\$ -
	NET INCOME/(LOSS)	\$ (37,027)	\$ 2,063

Company Name: Seven Canyons Water Company

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: Seven Canyons Water Company	
Name of System:	ADEQ Public Water System Number: 13-248

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-600173	25	118	744	7	4	1963

* 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	
Horsepower	Quantity
15.0	2
3-60 (VFD)	2

FIRE HYDRANTS	
Quantity Standard	Quantity Other
20	

STORAGE TANKS	
Capacity	Quantity
6,700 gal	1
200,000 gal	1

PRESSURE TANKS	
Capacity	Quantity
23.7	1

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

Company Name: Seven Canyons Water Company		
Name of System:	ADEQ Public Water System Number:	13-248

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	67
3		
4	PVC	278
5		
6	PVC	197
8	PVC	3,710
10	PVC	2,957
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	
3/4	2
1	40
1 1/2	7
2	7
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:

Solenoid Dosing Pump (Chemical Metering Pump)

STRUCTURES:

Sound wall

Booster Pump Room (Main)

Office/Laboratory

Booster Pump Room (Secret Ridge)

OTHER:

Level Controller

Level Sensor

Control Switch

Goulds Water Feature Pump

Telemetry System (SCADA)

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

Company Name: Seven Canyons Water Company	
Name of System:	ADEQ Public Water System Number: 13-248

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	56	690.7	812.4	-
FEBRUARY	56	581.4	633.8	-
MARCH	56	556.3	666.9	-
APRIL	56	1,054.2	1,163.7	-
MAY	56	762.4	1,536.6	-
JUNE	56	1,364.4	1,478.6	-
JULY	56	1,178.2	1,273.9	-
AUGUST	56	1,299.0	1,405.5	-
SEPTEMBER	56	1,165.1	1,268.4	-
OCTOBER	56	1,472.9	1,574.0	-
NOVEMBER	56	999.7	1,099.8	-
DECEMBER	56	553.6	817.3	-
TOTALS		11,677.9	13,730.9	-

What is the level of arsenic for each well on your system? <.002 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 2,250 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: Seven Canyons Water Company

Name of System:

ADEQ Public Water System Number:

13-248

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 Seven Canyons Water Company YEAR ENDING 12/31/12

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2012 was: \$ 2,965.32

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 25 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Yavapai
NAME (OWNER OR OFFICIAL) TITLE	Jim Lentine, Designated Representative
COMPANY NAME	Seven Canyons Water Company

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

FOR THE YEAR ENDING

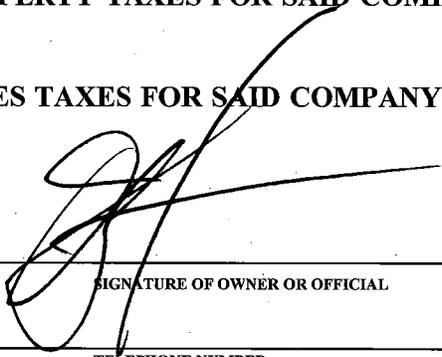
MONTH	DAY	YEAR
12	31	2012

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.



 SIGNATURE OF OWNER OR OFFICIAL

 TELEPHONE NUMBER

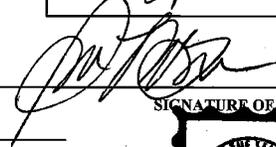
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th DAY OF

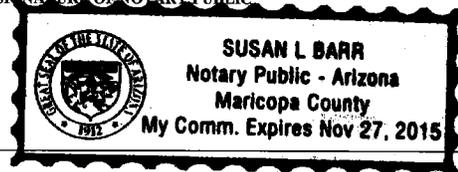
COUNTY NAME	<i>Maricopa</i>	
MONTH	<i>April</i>	<i>2013</i>

(SEAL)



 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 11/27/15



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

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
APR 25 2013
AZ COMM COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

<small>COUNTY OF (COUNTY NAME)</small>	Yavapai
<small>NAME (OWNER OR OFFICIAL) TITLE</small>	Jim Lentine, Designated Representative
<small>COMPANY NAME</small>	Seven Canyons 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.

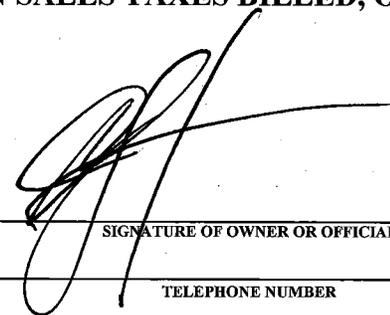
SWORN STATEMENT

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>109,141</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 7,492 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

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th **DAY OF**

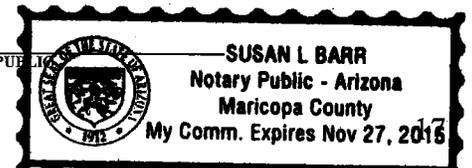
<small>COUNTY NAME</small> <u>Maricopa</u>	
<small>MONTH</small> <u>April</u>	<u>2013</u>

(SEAL)

MY COMMISSION EXPIRES 11/27/15



SIGNATURE OF NOTARY PUBLIC



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

RECEIVED

APR 25 2013

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Jim Lentine	TITLE Designated Representative
COMPANY NAME Seven Canyons 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.

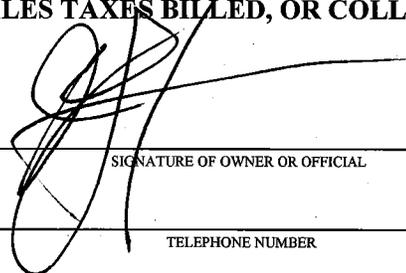
SWORN STATEMENT

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
\$ <u>64,345</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 4,425 IN SALES TAXES BILLED, OR COLLECTED)

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



 SIGNATURE OF OWNER OR OFFICIAL

 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

<u>11/4</u>

DAY OF

NOTARY PUBLIC NAME <u>Susan L Barr</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	20 <u>13</u>

(SEAL)

MY COMMISSION EXPIRES

11/27/15



SIGNATURE OF NOTARY PUBLIC