

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01732A
Willow Valley Water Company, Inc.
c/o Global Water Resources, Inc.
21410 N. 19th Ave. Ste. 201
Phoenix, AZ 85027

RECEIVED

APR 16 2014

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

ANN 04	13
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S-214

COMPANY INFORMATION

Company Name (Business Name) Willow Valley Water Company, Inc.

Mailing Address 21410 N. 19th Ave., Ste. 201
(Street)

Phoenix

(City)

AZ

(State)

85027

(Zip)

623-580-9600

Telephone No. (Include Area Code)

623-580-9659

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address ron.fleming@gwresources.com

Local Office Mailing Address Same as above
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Regulatory Contact: Joanne Ellsworth

Management Contact: Ron Fleming President
(Name) (Title)

21410 N. 19th Ave. Ste. 201
(Street)

Phoenix
(City)

AZ
(State)

85027
(Zip)

623-580-9600

Telephone No. (Include Area Code)

623-580-9659

Fax No. (Include Area Code)

602-550-2717

Cell No. (Include Area Code)

Email Address ron.fleming@gwresources.com

On Site Manager: Jon Corwin, General Manager
(Name)

201 East Coronado Street
(Street)

Buckeye
(City)

AZ
(State)

85326
(Zip)

520-233-2906

Telephone No. (Include Area Code)

520-568-6367

Fax No. (Include Area Code)

602-885-2791

Cell No. (Include Area Code)

Email Address jon.corwin@gwresources.com

Statutory Agent: Cindy M. Bowers
(Name)

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

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

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

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

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

Email Address tsabo@rdp-law.com

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$0	\$0	\$0
302	Franchises	0	0	0
303	Land and Land Rights	18,293	0	18,293
304	Structures and Improvements	470,183	138,422	331,761
307	Wells and Springs	1,652,271	341,477	1310,794
309	Raw Water Supply Mains	5,441	408	5,033
310	Power Generation Equipment	10,751	3,573	7,178
311	Pumping Equipment	571,641	478,431	93,210
320	Water Treatment Equipment	581,773	292,064	289,709
330	Distribution Reservoirs and Standpipes	265,900	132,837	133,063
331	Transmission and Distribution Mains	720,227	290,366	429,861
333	Services	96,681	63,391	33,290
334	Meters and Meter Installations	530,953	286,680	244,273
335	Hydrants	50,624	17,896	32,728
336	Backflow Prevention Devices	1,024	438	586
339	Other Plant and Misc. Equipment	9,272	3,878	5,394
340	Office Furniture and Equipment	15,624	10,376	5,248
341	Transportation Equipment	21,527	21,459	68
343	Tools, Shop and Garage Equipment	37,834	15,275	22,559
344	Laboratory Equipment	9,508	5,843	3,665
345	Power Operated Equipment	49,402	19,234	30,168
346	Communication Equipment	19,756	5,996	13,760
347	Miscellaneous Equipment	10,443	6,447	3,996
348	Other Tangible Plant	2,218	815	1,403
	TOTALS	\$ 5,151,346	\$2,135,306	\$3,016,040

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



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$0		0
302	Franchises	0		0
303	Land and Land Rights	18,293	0%	-
304	Structures and Improvements	470,183	3.33%	15,152
307	Wells and Springs	1,652,271	3.33%	54,964
309	Raw Water Supply Mains	5,441	2%	109
310	Power Generation Equipment	10,751	5%	535
311	Pumping Equipment	571,641	12.5%	32,281
320	Water Treatment Equipment	581,773	3%	65,413
330	Distribution Reservoirs and Standpipes	265,900	2.22 or 5%	11,410
331	Transmission and Distribution Mains	720,227	2%	23,957
333	Services	96,681	3.33%	4,896
334	Meters and Meter Installations	530,953	8.33%	32,643
335	Hydrants	50,624	2%	2,809
336	Backflow Prevention Devices	1,024	6.67%	68
339	Other Plant and Misc. Equipment	9,272	6.67%	618
340	Office Furniture and Equipment	15,624	6.67 or 33.33%	1,083
341	Transportation Equipment	21,527	20%	136
343	Tools, Shop and Garage Equipment	37,834	5%	1,867
344	Laboratory Equipment	9,508	10%	918
345	Power Operated Equipment	49,402	5%	2,438
346	Communication Equipment	19,756	10%	1,966
347	Miscellaneous Equipment	10,443	10%	1,045
348	Other Tangible Plant	2,218	10%	183
	TOTALS	\$5,151,346		254,491

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



BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
ASSETS			
CURRENT AND ACCRUED ASSETS			
131	Cash	\$111,127	4,741
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	24,578	13,815
143	Accumulated Provision for Uncollectible Accounts	(6,485)	(1,710)
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	22,205	9,183
162	Prepayments	4,363	3,807
173	Accrued Utility Revenues	48,450	50,229
174	Miscellaneous Current and Accrued Assets	11,575	7,559
	TOTAL CURRENT AND ACCRUED ASSETS	\$215,813	\$87,624
FIXED ASSETS			
101	Utility Plant in Service	\$5,079,172	\$5,151,346
103	Property Held for Future Use	0	
105	Construction Work in Progress	3,286	5,873
108	Accumulated Depreciation – Utility Plant	(1,893,327)	(2,135,306)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$3,189,130	\$3,021,913
Other Assets			
114	Utility Plant Acquisition Adjustments	\$ 398,499	\$ 398,499
181	Unamortized Debt Discount & Expense	0	0
190	Accumulated Deferred Income Taxes	0	0
	TOTAL OTHER ASSETS	\$398,499	\$398,499
	TOTAL ASSETS	\$3,803,440	\$3,508,036

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 LIABILITIES		
231	Accounts Payable	\$40,405	\$26,622
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	40,742	41,297
236	Accrued Taxes	13,435	17,746
237	Accrued Interest	2,505	4,681
241	Miscellaneous Current and Accrued Liabilities	49,939	27,478
	TOTAL CURRENT LIABILITIES	\$147,026	\$117,824
	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	150,666	97,478
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	460,239	511,808
272	Less: Amortization of Contributions	(13,995)	(44,282)
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$596,910	565,004
	TOTAL LIABILITIES	\$743,936	\$682,828
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$0	\$0
211	Paid in Capital in Excess of Par Value	3,795,987	3,931,959
215	Retained Earnings	(736,483)	(1,106,751)
218	Proprietary Capital (Sole Props and Partnerships)	0	
	TOTAL CAPITAL	\$3,059,504	\$2,825,208
	TOTAL LIABILITIES AND CAPITAL	\$3,803,440	\$3,508,036

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$685,057	\$625,208
460	Unmetered Water Revenue		
474	Other Water Revenues	10,420	11,377
	TOTAL REVENUES	\$695,477	\$636,585
	OPERATING EXPENSES		
601	Salaries and Wages	\$292,960	\$323,459
604	Employee Pension and Benefits	3,079	2,976
615	Purchased Power	45,657	33,972
616	Fuel for Power Production	0	
618	Chemicals	41,812	47,678
620	Repairs and Maintenance	41,962	28,638
621	Office Supplies and Expense	23,885	24,273
632	Contractual Services – Accounting	19,916	18,101
633	Contractual Services – Legal	9,565	17,059
634	Contractual Services – Management	63,088	106,023
635	Contractual Services – Testing	13,713	11,151
636	Contractual Services - Other	18,471	10,095
641	Rental of Buildings	10,296	11,452
642	Rental Of Equipment	2,945	0
650	Transportation Expenses	22,625	23,724
657	Insurance – General Liability	7,488	10,806
659	Insurance - Other	24,197	24,880
667	Regulatory Commission Expense – Other	5,528	18,604
670	Bad Debt Expense	5,228	2,308
675	Miscellaneous Expense	19,826	17,225
403	Depreciation Expense	364,119	254,491
403	Depreciation Expense – CIAC	(143,227)	(42,800)
408	Taxes Other Than Income	2,413	2,548
408.11	Property Taxes	27,266	32,895
408.12	Payroll Taxes	22,864	23,514
409	Income Tax	154,688	0
	TOTAL OPERATING EXPENSES	\$1,100,345	\$1,003,072
	OPERATING INCOME/(LOSS)	(\$404,868)	(\$366,487)
	OTHER INCOME/(EXPENSE)		
427	Interest Expense	(\$24,140)	(\$3,637)
	TOTAL OTHER INCOME/(EXPENSE)	(\$24,140)	(\$3,637)
	NET INCOME/(LOSS)	(\$429,009)	(\$370,124)

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 Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	<u>\$41,297</u>
Meter Deposits Refunded During the Test Year	<u>\$16,420</u>

COMPANY NAME: WILLOW VALLEY WATER COMPANY, INC.

Name of System: Lake Cimarron

ADEQ Public Water System Number: AZ-04-08-129

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-604160	7.5	190	60	12	4"	1960
55-604161	10	225	100	6		1967

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	19	
25	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
196,000 GAL	1	5,800 GAL	1

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

COMPANY NAME: WILLOW VALLEY WATER COMPANY, INC.

Name of System: Lake Cimarron

ADEQ Public Water System Number: AZ-04-08-129

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
6	PVC	186
8	PVC	7,347
10	PVC	5,509
UNK	UNK	894
4	UNK	213
6	UNK	684
8	UNK	4,431
10	UNK	548

CUSTOMER METERS

Size (in inches)	Quantity
5/8"	130
3/4"	1
2"	1

PVC = Polyvinyl Chloride
UNK = Unknown

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

TREATMENT EQUIPMENT:

- Chlorine Dioxide Injection System
- Sodium Permanganate Injection System
- Chlorine Gas Injection System
- Fe & Mn Removal System

STRUCTURES:

- Treatment Chemicals Storage Shed
- Block fences around well sites

OTHER:

COMPANY NAME: WILLOW VALLEY WATER COMPANY, INC.

Name of System: King Street

ADEQ Public Water System Number: AZ-04-08-040

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-208170 Unit 17 - Primary	30	500	120	9	6"	1970
55-603946 Center Street			100	8		1964
55-603947 King Street	15	300	120	8	4"	1959
55-603948 Meadowlark			100	8		1966
55-603949 Unit 17 - Secondary	15	300	100	8	4"	1969
55-603950 Commercial Well			100	8		1965
55-603951 Unit 1	15	250	100	24	4"	1960
55-603952 Riding Club Well			120	20		1960

* Arizona Department of Water Resources Identification Number

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	6	45	
30	1		
40	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
163,000 GAL	1	14,000 GAL	1
47,000 GAL	1	2,200 GAL	1
96,000 GAL	1	5,200 GAL	1

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

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

COMPANY NAME: WILLOW VALLEY WATER COMPANY, INC.	
Name of System: Lake Cimarron	ADEQ Public Water System Number: AZ-04-08-129

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	129	602	686	
FEBRUARY	131	433	553	
MARCH	131	504	672	
APRIL	130	596	777	
MAY	130	643	831	
JUNE	130	713	729	
JULY	131	654	1,016	
AUGUST	131	759	861	
SEPTEMBER	131	730	865	
OCTOBER	129	563	787	
NOVEMBER	130	516	561	
DECEMBER	129	524	659	
TOTALS →		7,237	8,997	

What is the level of arsenic for each well on your system?

ADWR# 55-604161 (Lake Cimarron) Non-Detect

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ 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: WILLOW VALLEY WATER COMPANY, INC.	
Name of System: King Street	ADEQ Public Water System Number: AZ-04-08-040

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1371	4,364	5,518	
FEBRUARY	1370	3,634	4,355	
MARCH	1372	3,547	5,610	
APRIL	1367	4,292	5,890	
MAY	1369	4,524	6,889	
JUNE	1371	5,420	7,104	
JULY	1370	5,297	7,914	
AUGUST	1372	6,173	7,009	
SEPTEMBER	1373	5,748	5,616	
OCTOBER	1373	4,246	5,621	
NOVEMBER	1369	3,979	4,908	
DECEMBER	1371	3,862	4,784	
TOTALS →		55,088	71,218	

What is the level of arsenic for each well on your system?

ADWR #55-603949 (Unit 17) 1.8 ppb

If system has fire hydrants, what is the fire flow requirement? ____ GPM for ____ 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: WILLOW VALLEY WATER COMPANY, INC.	
Name of System: Consolidated	ADEQ Public Water System Number: N/A

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		0	1	
FEBRUARY		0	7	
MARCH		0	4	
APRIL		0	10	
MAY		0	5	
JUNE		0	2	
JULY		0	9	
AUGUST		0	2	
SEPTEMBER		0	2	
OCTOBER		0	10	
NOVEMBER		0	7	
DECEMBER		0	7	
TOTALS →		0	66	

OTHER (description):

**COMPANY NAME: WILLOW VALLEY WATER COMPANY, INC.
YEAR ENDING 12/31/2013**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$30,950.81

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

VERIFICATION

APR 16 2014

STATE OF ARIZONA COUNTY OF MARICOPA ACC UTILITIES DIRECTOR
I, THE UNDERSIGNED RON FLEMING, PRESIDENT
OF THE WILLOW VALLEY WATER COMPANY, INC.

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	2013

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.

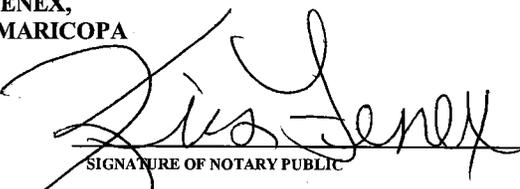
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



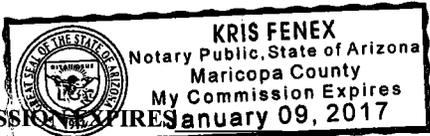
SIGNATURE OF OWNER OR OFFICIAL
623-580-9600

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME, KRIS FENEX,
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA
THIS 15th DAY OF APRIL, 2014.



SIGNATURE OF NOTARY PUBLIC



MY COMMISSION EXPIRES

**COMPANY NAME: WILLOW VALLEY WATER COMPANY, INC.
YEAR ENDING 12/31/2013**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported \$(368,825)
Estimated or Actual Federal Tax Liability \$(122,678)

State Taxable Income Reported \$(368,825)
Estimated or Actual State Tax Liability \$(15,555)

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \$0
Amount of Gross-Up Tax Collected \$0
Total Grossed-Up Contributions/Advances \$0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

April 15, 2014

DATE

Ron Fleming

PRINTED NAME

President

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 16 2014

VERIFICATION

ACC UTILITIES DIRECTOR

STATE OF ARIZONA COUNTY OF MARICOPA
I, THE UNDERSIGNED RON FLEMING, PRESIDENT
OF THE WILLOW VALLEY WATER COMPANY, INC.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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

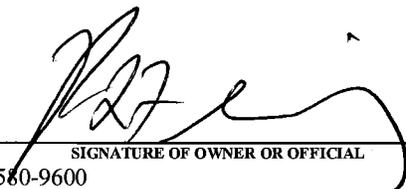
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$673,632

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$37,047
IN SALES TAXES BILLED, OR COLLECTED)**

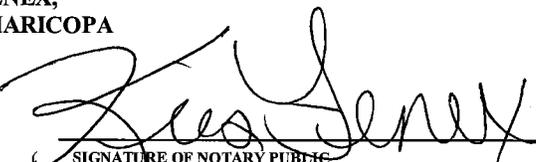
****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL
623-580-9600

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME, KRIS FENEX,
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA
THIS 15th DAY OF APRIL, 2014.



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION


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

RECEIVED
APR 16 2014
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA COUNTY OF MARICOPA
I, THE UNDERSIGNED RON FLEMING, PRESIDENT
OF THE WILLOW VALLEY WATER COMPANY, INC.

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

FOR THE YEAR ENDING	MONTH	DAY	YEAR
	12	31	2013

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 2013 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$572,480

THE AMOUNT IN BOX AT LEFT
INCLUDES \$32,025
IN SALES TAXES BILLED, OR COLLECTED)

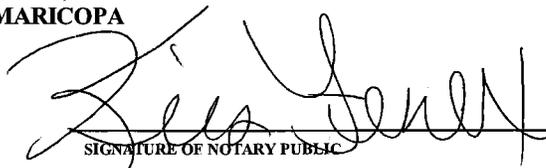
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.



SIGNATURE OF OWNER OR OFFICIAL
623-580-9600

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME, KRIS FENEX,
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA
THIS 15th DAY OF APRIL, 2014.



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

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