

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-20682A

Tonto Creek Water Company, LLC
4486 East Ford Avenue
~~Gilbert, AZ 85234~~

PO Box 13993
MESA, AZ 85216

RECEIVED

MAY 01 2015

AZ CORP COMM
Director - Utilities

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT

Water

FOR YEAR ENDING

12 31 2014

FOR COMMISSION USE

ANN 04 14

5-4-15

COMPANY INFORMATION

| | | | |
|--|--|---|--|
| Company Name (Business Name) | <u>Tonto Creek Water Company, LLC</u> | | |
| Mailing Address | <u>4486 East Ford Avenue</u> | | |
| | <small>(Street)</small> | | |
| <u>Gilbert</u> | <u>AZ</u> | <u>85234</u> | |
| <small>(City)</small> | <small>(State)</small> | <small>(Zip)</small> | |
| <u>(480) 664-0220</u> | | <u>(602) 390-7538</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>jcr@tontocreekwater.com</u> | | |
| | | | |
| Local Office Mailing Address | <u>4486 East Ford Avenue</u> | | |
| | <small>(Street)</small> | | |
| <u>Gilbert</u> | <u>AZ</u> | <u>85234</u> | |
| <small>(City)</small> | <small>(State)</small> | <small>(Zip)</small> | |
| <u>(480) 664-0220</u> | | <u>(602) 390-7538</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>jcr@tontocreekwater.com</u> | | |

MANAGEMENT INFORMATION

| | | | |
|--|--|---|----------------------|
| <input checked="" type="checkbox"/> Management Contact: | <u>James C. Rea</u> | <u>Member</u> | |
| | <small>(Name)</small> | <small>(Title)</small> | |
| <u>4486 East Ford Avenue</u> | <u>Gilbert</u> | <u>AZ</u> | <u>85234</u> |
| <small>(Street)</small> | <small>(City)</small> | <small>(State)</small> | <small>(Zip)</small> |
| <u>(480) 664-0220</u> | | <u>(602) 390-7538</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>jcr@tontocreekwater.com</u> | | |
| | | | |
| On Site Manager: | <u>Jeff Daniels</u> | | |
| | <small>(Name)</small> | | |
| <u>173 South Blackfoot Road</u> | <u>Payson</u> | <u>AZ</u> | <u>85541</u> |
| <small>(Street)</small> | <small>(City)</small> | <small>(State)</small> | <small>(Zip)</small> |
| <u>(928) 478-0010</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>service@arizonarim.com</u> | | |

Statutory Agent: Alpha Legal Forms & More, Inc.
 (Name)

4500 E Speedway Blvd #31 Tucson AZ 85712
 (Street) (City) (State) (Zip)

 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: Tonto Creek Water Company, LLC

UTILITY PLANT IN SERVICE

| Acct. No. | Description | Original Cost (OC) | Accumulated Depreciation (AD) | OCLD (OC less AD) |
|-----------|--|--------------------|-------------------------------|-------------------|
| 114 | Utility Plant Acquisition Adjustments | \$ 400 | \$ - | \$ 400 |
| 301 | Organization | - | - | - |
| 302 | Franchises | - | - | - |
| 303 | Land & Land Rights | 6,275 | - | 6,275 |
| 304 | Structures & Improvements | 8,475 | 5,155 | 3,320 |
| 307 | Wells & Springs | 22,500 | 22,500 | - |
| 311 | Pumping Equipment | 5,562 | 4,148 | 1,414 |
| 320 | Water Treatment Equipment | 500 | 500 | - |
| 320.1 | Water Treatment Plants | | | |
| 320.2 | Solution Chemical Feeders | | | |
| 330 | Distribution Reservoirs and Standpipes | | | - |
| 330.1 | Storage Tanks | 11,893 | 11,893 | |
| 330.2 | Pressure Tanks | 11,468 | 11,468 | |
| 331 | Transmission and Distribution Mains | 2,402 | 2,402 | - |
| 333 | Services | 11,200 | 7,651 | 3,549 |
| 334 | Meters and Meter Installations | 4,381 | 3,966 | 415 |
| 335 | Hydrants | - | - | - |
| 336 | Backflow Prevention Devices | - | - | - |
| 339 | Other Plant and Misc. Equipment | - | - | - |
| 340 | Office Furniture and Equipment | - | - | - |
| 340.1 | Computers & Software | 450 | 315 | 135 |
| 341 | Transportation Equipment | | (75) | 75 |
| 343 | Tools, Shop and Garage Equipment | 661 | 362 | 299 |
| 344 | Laboratory Equipment | - | - | - |
| 345 | Power Operated Equipment | - | - | - |
| 346 | Communications Equipment | - | - | - |
| 347 | Miscellaneous Equipment | - | - | - |
| 348 | Other Tangible Plant | - | - | - |
| | TOTALS | \$ 86,167 | \$ 70,285 | \$ 15,882 |

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

Company Name: Tonto Creek Water Company, LLC

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

| Acct. No. | DESCRIPTION | Original Cost (1) | Depreciation Percentage (2) | Depreciation Expense (1 X 2) |
|-----------|--|-------------------|-----------------------------|------------------------------|
| 114 | Utility Plant Acquisition Adjustments | \$ 400 | | |
| 301 | Organization | - | | - |
| 302 | Franchises | - | | - |
| 303 | Land & Land Rights | 6,275 | | - |
| 304 | Structures & Improvements | 8,475 | 3.33% | 149 |
| 307 | Wells & Springs | 22,500 | 3.33% | - |
| 311 | Pumping Equipment | 5,562 | 12.50% | 695 |
| 320 | Water Treatment Equipment | 500 | 20.00% | - |
| 320.1 | Water Treatment Plants | - | 3.33% | - |
| 320.2 | Solution Chemical Feeders | - | 20.00% | - |
| 330 | Distribution Reservoirs and Standpipes | - | 2.22% | - |
| 330.1 | Storage Tanks | 11,893 | 2.22% | - |
| 330.2 | Pressure Tanks | 11,468 | 5.00% | - |
| 331 | Transmission and Distribution Mains | 2,402 | 2.00% | - |
| 333 | Services | 11,200 | 3.33% | 373 |
| 334 | Meters and Meter Installations | 4,381 | 8.33% | 94 |
| 335 | Hydrants | - | 2.00% | - |
| 336 | Backflow Prevention Devices | - | 6.67% | - |
| 339 | Other Plant and Misc. Equipment | - | 6.67% | - |
| 340 | Office Furniture and Equipment | - | 6.67% | - |
| 340.1 | Computers & Software | 450 | 33.33% | 90 |
| 341 | Transportation Equipment | - | 20.00% | 120 |
| 343 | Tools, Shop and Garage Equipment | 661 | 5.00% | 33 |
| 344 | Laboratory Equipment | - | 10.00% | - |
| 345 | Power Operated Equipment | - | 5.00% | - |
| 346 | Communications Equipment | - | 10.00% | - |
| 347 | Miscellaneous Equipment | - | 10.00% | - |
| 348 | Other Tangible Plant | - | 10.00% | - |
| | SUBTOTAL | 86,167 | | 1,554 |
| | LESS CIAC Amortization | | | |
| | TOTALS * | \$ 86,167 | | \$ 1,554 |

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

Company Name: Tonto Creek Water Company, LLC

WATER UTILITY BALANCE SHEET

| Acct. No. | ASSETS | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|--------------|---|------------------------------------|------------------------------|
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$ 3,333 | \$ 4,662 |
| 134 | Working Funds | | |
| 135 | Temporary Cash Investments | | |
| 141 | Customer Accounts Receivable | | |
| 146 | Notes/Receivables from Associated Companies | | |
| 151 | Plant Material and Supplies | | |
| 162 | Prepayments | | |
| 174 | Miscellaneous Current and Accrued Assets | | |
| | TOTAL CURRENT AND ACCRUED ASSETS | \$ 3,333 | \$ 4,662 |
| | FIXED ASSETS | | |
| 101 | Utility Plant in Service | \$ 85,767 | \$ 85,767 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work In Progress | | |
| 108 | Accumulated Depreciation - Utility Plant | (68,731) | (70,285) |
| 114 | Utility Plant Acquisition Adjustments | 400 | 400 |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation - Non Utility | | |
| | TOTAL FIXED ASSETS | \$ 17,436 | \$ 15,882 |
| | TOTAL ASSETS | \$ 20,769 | \$ 20,544 |

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

Company Name: Tonto Creek Water Company, LLC

WATER UTILITY BALANCE SHEET (CONTINUED)

| Acct. No. | LIABILITIES | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|-----------|---|------------------------------|------------------------|
| | CURRENT LIABILITIES | | |
| 231 | Accounts Payable | \$ 3,491 | \$ - |
| 232 | Notes Payable (Current Portion) | | |
| 234 | Notes/Accounts Payable to Associated Companies | | |
| 235 | Customer Deposits | | |
| 236 | Accrued Taxes | 124 | 217 |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | 5,926 | 5,934 |
| | TOTAL CURRENT LIABILITIES | \$ 9,541 | \$ 6,151 |
| | 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 | | |
| 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 | \$ - | \$ - |
| | TOTAL LIABILITIES | \$ 9,541 | \$ 6,151 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ - | \$ - |
| 211 | Paid in Capital in Excess of Par Value | | |
| 215 | Retained Earnings | (12,672) | (9,507) |
| 218 | Proprietary Capital (Sole Props and Partnerships) | 23,900 | 23,900 |
| | TOTAL CAPITAL | \$ 11,228 | \$ 14,393 |
| | TOTAL LIABILITIES AND CAPITAL | \$ 20,769 | \$ 20,544 |

Company Name: Tonto Creek Water Company, LLC

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR |
|------------------|-------------------------------------|-------------------|---------------------|
| 461 | Metered Water Revenue | \$ 27,795 | \$ 25,648 |
| 462 | Surcharge Revenue | | |
| 474 | Other Water Revenues | | |
| | TOTAL REVENUES | \$ 27,795 | \$ 25,648 |
| | | | |
| | OPERATING EXPENSES | | |
| 601 | Salaries and Wages | \$ 12,300 | \$ 12,300 |
| 610 | Purchased Water | | |
| 615 | Purchased Power | 1,337 | 1,124 |
| 618 | Chemicals | | |
| 620 | Repairs and Maintenance | 4,283 | 2,428 |
| 621 | Office Supplies & Expense | 2,628 | 1,725 |
| 630 | Outside Services | 1,628 | 851 |
| 635 | Water Testing | 735 | 180 |
| 641 | Rents | | |
| 650 | Transportation Expenses | 6,551 | 2,850 |
| 657 | Insurance - General Liability | 880 | 880 |
| 659 | Insurance - Health and Life | | |
| 665 | Regulatory Expenses | | |
| 675 | Miscellaneous Expense | 145 | 325 |
| 403 | Depreciation Expense | 1,604 | 1,554 |
| 408 | Taxes Other Than Income | 872 | 1,082 |
| 408.11 | Property Taxes | 1,342 | |
| 409 | Income Tax | | |
| 427.2 | Customer Security Deposit Interest | | |
| | TOTAL OPERATING EXPENSES | \$ 34,305 | \$ 25,299 |
| | | | |
| | OPERATING INCOME/(LOSS) | \$ (6,510) | \$ 349 |
| | | | |
| | OTHER INCOME/(EXPENSE) | | |
| 419 | Interest and Dividend Income | \$ - | \$ - |
| 421 | Non-Utility Income | | |
| 426 | Miscellaneous Non-Utility Exp | | |
| 427 | Interest Expense | | |
| | TOTAL OTHER INCOME/(EXPENSE) | \$ - | \$ - |
| | | | |
| | NET INCOME/(LOSS) | \$ (6,510) | \$ 349 |

Company Name: Tonto Creek Water Company, LLC

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

| | LOAN #1 | LOAN #2 | LOAN #3 | LOAN #4 |
|------------------------|----------------|----------------|----------------|----------------|
| Date Issued | No Loans | | | |
| 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: Tonto Creek Water Company, LLC

Name of System:

ADEQ Public Water System Number: 04-021

WATER UTILITY PLANT DESCRIPTION

WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-625895 | 2 | 16 | 29 | 6 | 1.5 | 1962 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* 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 |
|----------|----------|
| 15,000 | 2 |
| | |
| | |
| | |

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: Tonto Creek Water Company, LLC

Name of System:

ADEQ Public Water System Number:

04-021

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

| Size (in inches) | Material | Length (in feet) |
|------------------|------------|------------------|
| 1.5 | Galvanized | 950 |
| 1.5 | Sch 40 | 500 |
| 2 | Galvanized | 4900 |
| 2 | Sch 40 | 800 |
| 3 | | |
| 4 | Galvanized | 4800 |
| 5 | | |
| 6 | | |
| 8 | | |
| 10 | | |
| 12 | | |
| | | |
| | | |

CUSTOMER METERS

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 x 3/4 | 73 |
| 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:

STRUCTURES:

One 12' by 24' pumphouse

OTHER:

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

| | |
|--|---|
| Company Name: Tonto Creek Water Company, LLC | |
| Name of System: | ADEQ Public Water System Number: 04-021 |

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

| MONTH | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) | GALLONS PURCHASED (Thousands) |
|---------------|---------------------|-----------------------------|-------------------------------|----------------------------------|
| JANUARY | 73 | 48.35 | 68.61 | - |
| FEBRUARY | 73 | 43.90 | 39.54 | - |
| MARCH | 73 | 89.97 | 97.38 | - |
| APRIL | 73 | 96.97 | 98.42 | - |
| MAY | 73 | 148.60 | 139.09 | - |
| JUNE | 73 | 273.94 | 301.86 | - |
| JULY | 73 | 182.07 | 196.43 | - |
| AUGUST | 73 | 146.92 | 157.68 | - |
| SEPTEMBER | 73 | 104.21 | 120.46 | - |
| OCTOBER | 73 | 113.97 | 119.32 | - |
| NOVEMBER | 73 | 76.00 | 81.63 | - |
| DECEMBER | 73 | 56.78 | 68.90 | - |
| TOTALS | | 1,381.68 | 1,489.32 | - |

What is the level of arsenic for each well on your system? 0.0011 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A 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: Tonto Creek Water Company, LLC
 Name of System: ADEQ Public Water System Number: 04-021

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 Tonto Creek Water Company, LLC YEAR ENDING 12/31/14

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2014 was: \$ -

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. _____

Gila County was late sending out property tax bills last year, so the tax was paid in 2015.

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

MAY 01 2015

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

| |
|--------------------------------|
| COUNTY OF (COUNTY NAME) |
| GILA |
| NAME (OWNER OR OFFICIAL) TITLE |
| James C. Rea, Member |
| COMPANY NAME |
| Tonto Creek Water Company, LLC |

I, THE UNDERSIGNED

OF THE

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 | 2014 |

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.

[Handwritten Signature]
SIGNATURE OF OWNER OR OFFICIAL

602-390-7538

TELEPHONE NUMBER

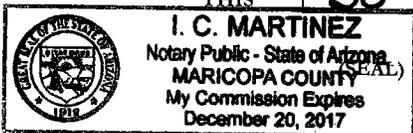
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

| | |
|-------------|-------------|
| COUNTY NAME | Maricopa |
| MONTH/YEAR | April, 2015 |

THIS 30

DAY OF



[Handwritten Signature]
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

12-20-17

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

MAY 01 2015

VERIFICATION

ACC UTILITIES DIRECTOR

STATE OF Arizona

| | |
|--------------------------------|--------------------------------|
| COUNTY OF (COUNTY NAME) | GILA |
| NAME (OWNER OR OFFICIAL) TITLE | James C. Rea, Member |
| COMPANY NAME | Tonto Creek Water Company, LLC |

I, THE UNDERSIGNED

OF THE

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

FOR THE YEAR ENDING

| MONTH | DAY | YEAR |
|-------|-----|------|
| 12 | 31 | 2014 |

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

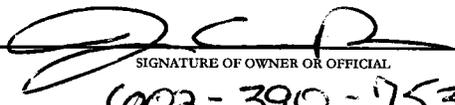
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 27,293

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1,645
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)

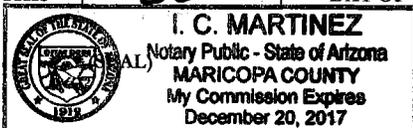


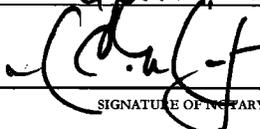
 SIGNATURE OF OWNER OR OFFICIAL
602-390-7538

 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 30 DAY OF

| | |
|-------------|------------|
| COUNTY NAME | Maricopa |
| MONTH/YEAR | April 2015 |





 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 12-20-17

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

RECEIVED

MAY 01 2015

ACC UTILITIES DIRECTOR

VERIFICATION
STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

| | |
|---|------------------------|
| COUNTY OF (COUNTY NAME) GILA | |
| NAME (OWNER OR OFFICIAL) James C. Rea | TITLE Member |
| COMPANY NAME Tonto Creek Water Company, LLC | |

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

FOR THE YEAR ENDING

| | | |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12 | 31 | 2014 |

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 2014 WAS:

| |
|---|
| ARIZONA INTRASTATE GROSS OPERATING REVENUES |
| \$ <u>27,293</u> |

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1,645
IN SALES TAXES BILLED, OR COLLECTED

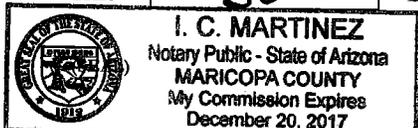
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

602-390-1738
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

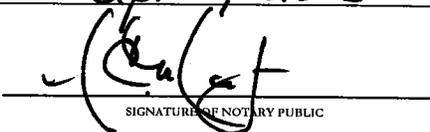
THIS 30th DAY OF



MY COMMISSION EXPIRES

12-20-17

| |
|---|
| NOTARY PUBLIC NAME I. C. Martinez |
| COUNTY NAME Maricopa |
| MONTH/YEAR April, 2015 |


SIGNATURE OF NOTARY PUBLIC