

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

SW-03389A

Seven Canyons Water Treatment Company
755 Golf Club Way
Sedona, AZ 86336

RECEIVED
APR 25 2016
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

Sewer

FOR YEAR ENDING

12 31 2015

FOR COMMISSION USE

ANN 04 15

4-25-16

Statutory Agent: Dickinson Wright PLLC
 (Name)

1850 N Central Ave, Suite 1400 Phoenix AZ 85004
 (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: Seven Canyons Water Treatment Company

WASTEWATER UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
351	Organization	\$ -	\$ -	\$ -
352	Franchises			
353	Land & Land Rights			
354	Structures & Improvements			
355	Power Generation Equipment			
360	Collection Sewers - Force			
361	Collection Sewers - Gravity	649,229	326,779	322,450
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equipment	2,076,081	851,193	1,224,888
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant & Misc Equipment			
390	Office Furniture & Equipment	2,335	2,335	-
391	Transportation Equipment			
393	Tools, Shop & Garage Equip.	3,688	3,688	-
394	Laboratory Equipment	4,813	4,813	-
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	\$ 2,736,146	\$ 1,188,808	\$ 1,547,338

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

Company Name: Seven Canyons Water Treatment Company

WASTEWATER UTILITY CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1X2)
351	Organization	\$ -		\$ -
352	Franchises	-		-
353	Land & Land Rights		N/A	
354	Structures & Improvements			
355	Power Generation Equipment			
360	Collection Sewers - Force			
361	Collection Sewers - Gravity	649,229	4.00%	25,969
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equipment	2,076,081	4.00%	83,043
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant & Misc Equipment			
390	Office Furniture & Equipment	2,335	15.61%	-
391	Transportation Equipment			
393	Tools, Shop & Garage Equip.	3,688	14.29%	-
394	Laboratory Equipment	4,813	12.30%	114
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	\$ 2,736,146		\$ 109,126

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

Company Name: Seven Canyons Water Treatment Company

WASTEWATER UTILITY BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1,213	\$ 1,063
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	4,902	3,572
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	5,391	
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 11,506	\$ 4,635
	FIXED ASSETS		
101	Utility Plant in Service	\$ 2,736,146	\$ 2,736,146
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(1,079,681)	(1,188,808)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 1,656,465	\$ 1,547,338
	TOTAL ASSETS	\$ 1,667,971	\$ 1,551,973

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

Company Name: Seven Canyons Water Treatment Company

WASTEWATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 18,952	\$ 18,572
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	\$ 61,838	91,238
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	5,779	
	TOTAL CURRENT LIABILITIES	\$ 86,569	\$ 109,810
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$ -	\$ -
253	Other Deferred Debits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ -	\$ -
	TOTAL LIABILITIES	\$ 86,569	\$ 109,810
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value	3,355,357	3,355,357
215	Retained Earnings	(1,774,954)	(1,914,193)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 1,581,402	\$ 1,442,163
	TOTAL LIABILITIES AND CAPITAL	\$ 1,667,971	\$ 1,551,973

Company Name: Seven Canyons Water Treatment Company

**WASTEWATER UTILITY COMPARATIVE STATEMENT OF INCOME
AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$ 45,665	\$ 49,570
522	Measured Revenues	8,157	10,704
536	Other Wastewater Revenues		
	TOTAL REVENUES	\$ 53,822	\$ 60,274
	OPERATING EXPENSES		
701	Salaries and Wages	\$ -	\$ -
710	Purchased Wastewater Treatment	3,260	1,256
711	Sludge Removal Expense		
715	Purchased Power		
718	Chemicals		
720	Materials and Supplies	4,655	528
731	Contractual Services - Professional	64,056	65,331
735	Contractual Services - Testing	10,869	10,894
736	Contractual Services - Other		
740	Rents		
750	Transportation Expenses		
755	Insurance Expense	14,084	9,261
765	Regulatory Commission Expense		
775	Miscellaneous Expense	3,250	826
403	Depreciation Expense	109,191	109,126
408	Taxes Other Than Income		
408.11	Property Taxes	4,104	6,444
409	Income Taxes	50	
	TOTAL OPERATING EXPENSES	\$ 213,519	\$ 203,666
	OPERATING INCOME/(LOSS)	\$ (159,697)	\$ (143,392)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income	\$ -	\$ 4,152
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ -	\$ 4,152
	NET INCOME/(LOSS)	\$ (159,697)	\$ (139,240)

Company Name: Seven Canyons Water Treatment Company

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	\$ -	\$ -	\$ -	\$ -

COMPANY NAME	Seven Canyons Water Treatment Company
Name of System:	Wastewater Inventory Number (if applicable):

WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended Aeration
DESIGN CAPACITY OF PLANT (Gallons Per Day)	64,000

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Secret Canyon Drive	2	25	280	2,321

FORCE MAINS

Size	Material	Length (Feet)
4-inch		N/A
6-inch		1,727

MANHOLES

Type	Quantity
Standard	12
Drop	

CLEANOUTS

Quantity
2 - Sewer Force Main - 2 Way

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

COMPANY NAME	Seven Canyons Water Treatment Company
Name of System:	Wastewater Inventory Number (if applicable):

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4		
6	PVC	115
8	PVC	2283
10		
12		
15		
18		
21		
24		
30		

SERVICES

Size (in inches)	Material	Quantity
4		
6		
8	PVC	115 LF
12		
15		

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY PER WASTEWATER SYSTEM

SOLIDS PROCESSING AND HANDLING FACILITIES	None
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Chlorinator
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	None
STRUCTURES (Buildings, Fences, Etc.)	Aeration/Blower Building
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Sensaphone, Telemetry Computer, Various Tools, Locator, Various Lab, Turbidimeter, Centrifuge, Generator, Odor Control Unit

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

COMPANY NAME	Seven Canyons Water Treatment Company
Name of System:	Wastewater Inventory Number (if applicable):

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
January	50	295,520	16,080
February	50	280,057	17,257
March	50	400,396	18,504
April	50	382,300	18,328
May	50	403,757	21,490
June	50	282,845	12,495
July	50	311,867	14,261
August	50	274,276	16,399
September	50	239,760	17,749
October	50	232,115	10,470
November	50	328,018	16,625
December	50	411,615	18,677

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE
PER WASTEWATER SYSTEM**

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc)	Reuse
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	10334
ADEQ Reuse Permit Number	R103334
EPA NPDES Permit Number	N/A

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

COMPANY NAME	Seven Canyons Water Treatment Company
Name of System:	Wastewater Inventory Number (if applicable):

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	OTHER
JANUARY	-	-	-
FEBRUARY	-	-	-
MARCH	-	-	-
APRIL	-	-	-
MAY	-	-	-
JUNE	-	-	-
JULY	-	-	-
AUGUST	-	-	-
SEPTEMBER	-	-	-
OCTOBER	-	-	-
NOVEMBER	-	-	-
DECEMBER	-	-	-
TOTALS	-	-	-

OTHER (description):

COMPANY NAME Seven Canyons Water Treatment Company

YEAR ENDING 12/31/15

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2015 was: \$ 2,221

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

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AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	YAVAPAI
NAME (OWNER OR OFFICIAL) TITLE	Marcos Casillas, Treasurer
COMPANY NAME	Seven Canyons Water Treatment 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	2015

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

980 204 3003

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	Yavapai
MONTH/YEAR	April, 2016

THIS

22

DAY OF

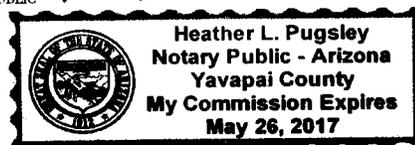
(SEAL)

Heather L. Pugsley

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

5/26/17



**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

APR 25 2016

**AZ CORP COMM
Director - Utilities**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	YAVAPAI
NAME (OWNER OR OFFICIAL) TITLE	Marcos Casillas, Treasurer
COMPANY NAME	Seven Canyons Water Treatment Company

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FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>60,274</u>

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ -
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)**

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 12 DAY OF**

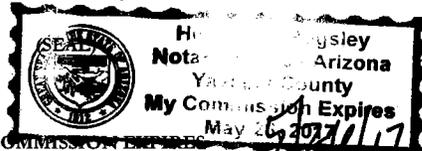


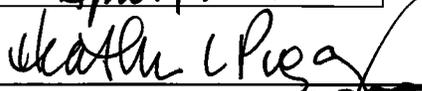
SIGNATURE OF OWNER OR OFFICIAL

480 264 3003

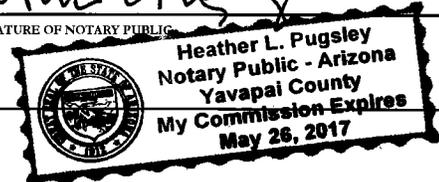
TELEPHONE NUMBER

COUNTY NAME	Yavapai
MONTH/YEAR	April, 2016

MY COMMISSION EXPIRES




SIGNATURE OF NOTARY PUBLIC



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

RECEIVED
APR 25 2016
AZ CORP COM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
YAVAPAI	
NAME (OWNER OR OFFICIAL)	TITLE
Marcos Casillas	Treasurer
COMPANY NAME	
Seven Canyons Water Treatment Company	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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 2015 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 20,520

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

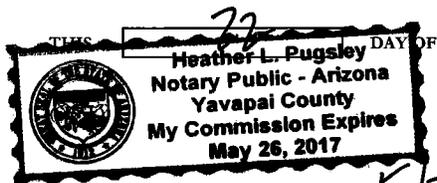
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

[Handwritten Signature]
SIGNATURE OF OWNER OR OFFICIAL

400 264 3003
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES

72 DAY OF
5/26/17

NOTARY PUBLIC NAME	<i>Heather Pugsley</i>
COUNTY NAME	Yavapai
MONTH YEAR	April, 2016

Heather L. Pugsley
SIGNATURE OF NOTARY PUBLIC