

**Abbreviated
Consolidated Balance Sheets
(in Thousands) As of
December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Assets		
Utility plant		
Plant in service, at cost	\$ 41,700	\$ 41,103
Construction work in progress	<u>15</u>	<u>286</u>
	41,715	41,389
Less accumulated depreciation	<u>15,719</u>	<u>14,487</u>
Total utility plant	<u>25,996</u>	<u>26,902</u>
Investment in LLC	263	316
Current assets		
Cash and cash equivalents	694	1,067
Securities available-for-sale, at market	1,418	861
Accounts receivable	297	322
Materials and supplies	41	39
Deferred tax assets	5	5
Prepayment and special deposit	<u>28</u>	<u>66</u>
Total current assets	<u>2,483</u>	<u>2,360</u>
Deferred charges		
Central Arizona Project capital charges	1,839	1,789
Other	<u>226</u>	<u>130</u>
Total deferred charges	<u>2,065</u>	<u>1,919</u>
Total	<u>\$ 30,807</u>	<u>\$ 31,497</u>
Membership Interest and Liabilities		
Membership interest		
Memberships and contributions	\$ 48	\$ 48
Accumulated surplus	8,694	8,441
Accumulated other comprehensive income	<u>(64)</u>	<u>(3)</u>
Total membership interest	<u>8,678</u>	<u>8,486</u>
Long-term debt	0	2,236
Current liabilities		
Accounts payable	111	69
Current maturities of long-term debt	2,236	141
Accrued taxes	100	101
Other liabilities	<u>266</u>	<u>263</u>
Total current liabilities	<u>2,713</u>	<u>574</u>
Deferred credits		
Refundable advances for construction	7,392	7,878
Other	<u>149</u>	<u>201</u>
Total deferred credits	<u>7,541</u>	<u>8,079</u>
Contributions in-aid-of construction (CIAC), net		
Total	<u>11,875</u>	<u>12,122</u>
	<u>\$ 30,807</u>	<u>\$ 31,497</u>

Note: Our complete audited consolidated financial statements contain notes that are an integral part of financial statements.

**Abbreviated
Consolidated Statements of Cash Flow
(in Thousands) for the Years Ended
December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Cash flow from operating activities		
Excess revenues over expenses	\$ 253	\$ 549
Adjustments		
Depreciation and amortization	876	812
Depreciation and amortization included in operations and maintenance expenses	87	98
Change in LLC	53	23
Change included in:		
Accounts receivable	25	(2)
Materials and supplies	(2)	9
Deferred tax assets	0	(5)
Prepayments	38	(44)
Other deferred charges	(98)	(10)
Accounts payable	47	(85)
Accrued taxes	(1)	14
Other liabilities	(7)	25
Total adjustments	<u>1,018</u>	<u>835</u>
Net cash provided by operating activities	<u>1,271</u>	<u>1,384</u>
Cash flow used in investing activities		
Capital expenditures	(626)	(817)
Proceeds from sale of capital assets	0	34
Proceeds from maturities of securities available-for-sale	1,712	1,197
Purchase of maturities of securities available-for-sale	(2,331)	(1,182)
Central Arizona Project capital charges & other investments	(175)	(42)
Net cash used in investing activities	<u>(1,420)</u>	<u>(810)</u>
Cash flow used in financing activities		
Repayment of long-term debt and other financing	(141)	(140)
Proceeds from refundable advances and CIAC	90	94
Repayment of refundable advances	(173)	(179)
Net cash used in financing activities	<u>(224)</u>	<u>(225)</u>
Net increase (decrease) in cash and cash equivalents	<u>(373)</u>	<u>349</u>
Cash and cash equivalents at beginning of year	<u>1,067</u>	<u>718</u>
Cash and cash equivalents at end of year	<u>\$ 694</u>	<u>\$ 1,067</u>
Non Cash Investing Activities		
Accounts payable purchases of utility plant	<u>\$ 5</u>	<u>\$ 10</u>

**Abbreviated
Consolidated Statements of Revenues and Expenses
(in Thousands) for the Years Ended
December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Operating revenues	\$ 3,863	\$ 3,872
Operating expenses		
Operations	1,895	1,838
Maintenance	238	230
Depreciation and amortization	876	812
Taxes - other	<u>471</u>	<u>475</u>
Total operating expenses	<u>3,480</u>	<u>3,355</u>
Excess of operating revenues over operating expenses	<u>383</u>	<u>517</u>
Other (expenses) revenues		
Interest expense	(108)	(115)
Interest income	11	24
Other income, net	(27)	125
Total other (expenses) revenues	<u>(124)</u>	<u>34</u>
Income before income tax	<u>259</u>	<u>551</u>
Income tax		
Current tax expense	(5)	(7)
Deferred tax (expense) benefit	(1)	5
Total income tax	<u>(6)</u>	<u>(2)</u>
Excess of revenues over expenses	<u>\$ 253</u>	<u>\$ 549</u>

*2013 Consolidated
Annual Report
Community Water Co.
of Green Valley*

As a cost saving measure we have distributed this abbreviated version of our annual report. Available at our office are the complete audited financial statements.

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DIRECTORS & OFFICERS

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University Research Foundation, Inc.

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Community Water Company of Green Valley

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Retired Reading Teacher Specialist

Clarence M Ebert

Retired Contractor

Donna J Severidt

Retired Computer Consultant & Manager

Paul D Williamsen

Retired Scheduling Supervisor
United Technologies Chemical Systems

As of March 26, 2014

MANAGEMENT

Arturo R Gabaldón, President

Community Water Company of Green Valley

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Controller & Assistant Treasurer

Patricia A Carlstad

Office Manager & Clerk of the Board

VOLUNTEER CONSULTANTS

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Charles H Haynes, Jr

Retired Print Sales Manager

Donald J Kamin

Retired Accountant

Kenneth M Taylor, Jr

Brigadier General
USAF, Retired

Donald G Weaver

Retired Executive Management

Edith J Webber

Retired Educator and Public Representative

Conservation Tip:

***It's time to save!
Check for leaks.***



2013

Financial Summary

Community Water
Company
of Green Valley

*Providing service to our
community since 1977*