

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02886 A

Kohl's Ranch Water Company

P.O. Box 206

Payson, AZ 85547

RECEIVED

APR 15 2013

AZ CORP COMM
Director - Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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4-15-13

COMPANY INFORMATION

Company Name (Business Name) Kohl's Ranch Water Company		
Mailing Address P.O. Box 206		
Payson (City)	Arizona (State)	85547 (Zip)
928-978-0070		928-978-0070
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address douglas_thorne@yahoo.com		
Local Office Mailing Address 318 S Moonlight drive		
Star Valley (City)	AZ (State)	85541 (Zip)
928-978-8220		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:		
<input checked="" type="checkbox"/> Management Contact: DOUGLAS R THORNE		
P.O. Box 206 (Street)	PAYSON (City)	AZ 85547 (State) (Zip)
928-978-0070	-	-
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address douglas_thorne@yahoo.com		
On Site Manager: DOUGLAS THORNE		
P.O. Box 206 (Street)	PAYSON (City)	AZ 85547 (State) (Zip)
928-978-0070		928-978-0070
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address		

Statutory Agent: DOUGLAS THORNE
 (Name)

318 S Moonlight drive Star Valley AZ 85541
 (Street) (City) (State) (Zip)

928-978-0070 928-978-0070
 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:

<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 checked="" type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input 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		

COMPANY NAME Kohl's Ranch Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	—	—	—
304	Structures and Improvements	—	—	—
307	Wells and Springs	2,000.70	2,000.70	—
311	Pumping Equipment	33,476.00	33,476.00	—
320	Water Treatment Equipment	6,199.25	6,199.25	—
330	Distribution Reservoirs and Standpipes	—	—	—
331	Transmission and Distribution Mains	12,658.00	12,658.00	—
333	Services	—	—	—
334	Meters and Meter Installations	13,383.59	13,383.59	—
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	150.00	150.00	—
341	Transportation Equipment	1,000.00	1,000.00	—
343	Tools, Shop and Garage Equipment	3,133.19	3,133.19	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	6,875.17	6,875.17	—
348	Other Tangible Plant	300.00	300.00	—
	TOTALS	79,175.90	79,175.90	

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

COMPANY NAME Kohl's Ranch Water Co.

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 and Land Rights	—	—	—
304	Structures and Improvements	—	—	—
307	Wells and Springs	2000.70	—	—
311	Pumping Equipment	33,476.00	—	—
320	Water Treatment Equipment	6,199.25	—	—
330	Distribution Reservoirs and Standpipes	—	—	—
331	Transmission and Distribution Mains	12,658.10	—	—
333	Services	—	—	—
334	Meters and Meter Installations	13,383.59	—	—
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	150.00	—	—
341	Transportation Equipment	1,000.00	—	—
343	Tools, Shop and Garage Equipment	3,133.19	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	6,875.17	—	—
348	Other Tangible Plant	300.00	—	—
	TOTALS	79,175.90		

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

COMPANY NAME Kohl's Ranch Water Company

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 0.00	\$ 3,588.39
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	\$ 0.00	\$ 3,588.39
	FIXED ASSETS		
101	Utility Plant in Service	\$ 79,175.90	\$ 79,175.90
103	Property Held for Future Use	—	—
105	Construction Work in Progress	—	—
108	Accumulated Depreciation – Utility Plant	< 79,175.90 >	< 79,175.90 >
121	Non-Utility Property	—	—
122	Accumulated Depreciation – Non Utility	—	—
	TOTAL FIXED ASSETS	\$ 0.00	\$ 0.00
	TOTAL ASSETS	\$ 0.00	\$ 3,588.39

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

COMPANY NAME *Kohl's Ranch Water Company*

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
LIABILITIES			
CURRENT LIABILITES			
231	Accounts Payable	\$ 0.00	\$ 649.40
232	Notes Payable (Current Portion)	—	—
234	Notes/Accounts Payable to Associated Companies	—	—
235	Customer Deposits	—	—
236	Accrued Taxes <i>PAYROLL</i>	0.00	590.00
237	Accrued Interest	—	—
241	Miscellaneous Current and Accrued Liabilities	—	—
	TOTAL CURRENT LIABILITIES	\$ 0.00	\$ 1,239.40
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$ —	\$ 0.00
DEFERRED CREDITS			
251	Unamortized Premium on Debt	\$ 0.00	\$ —
252	Advances in Aid of Construction	—	—
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	\$ 0.00	\$ 0.00
	TOTAL LIABILITIES	\$ 0.00	\$ 1,239.40
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 0.00	\$ 0.00
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	0.00	2,348.99
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 0.00	\$ 2,348.99
	TOTAL LIABILITIES AND CAPITAL	\$ 0.00	\$ 3,588.39

COMPANY NAME Kohl's Ranch Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 99,640.47	\$ 116,346.37
460	Unmetered Water Revenue	—	—
474	Other Water Revenues	—	218.99
	TOTAL REVENUES	\$ 99,640.47	\$ 116,565.36
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 25,337.95	\$ 21,366.54
610	Purchased Water	—	—
615	Purchased Power	6,100.43	7,453.94
618	Chemicals	1,146.95	748.35
620	Repairs and Maintenance	5,473.31	8,992.17
621	Office Supplies and Expense	5,166.28	7,196.98
630	Outside Services	36,000.00	42,472.50
635	Water Testing	2,670.00	4,737.01
641	Rents	—	—
650	Transportation Expenses	5,560.40	6,937.66
657	Insurance – General Liability	2,679.37	2,015.16
659	Insurance - Health and Life	—	—
666	Regulatory Commission Expense – Rate Case	—	54.00
675	Miscellaneous Expense	1,816.05	1,282.79
403	Depreciation Expense	0.00	0.00
408	Taxes Other Than Income	8571.38	10,027.79
408.11	Property Taxes	2159.82	1,854.70
409	Income Tax	—	—
	TOTAL OPERATING EXPENSES	\$ 101,681.94	\$ 115,139.59
	OPERATING INCOME/(LOSS)	\$ 4,2041.47	\$ 1,425.77
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0.00	\$ 0.00
421	Non-Utility Income	—	—
426	Miscellaneous Non-Utility Expenses	—	—
427	Interest Expense	—	—
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0.00	\$ 0.00
	NET INCOME/(LOSS)	\$ 4,2041.47	\$ 1,425.77

COMPANY NAME	KOHLS RANCH WATER CO	01/31/2013
Name of System:	KOHLS RANCH LODGE ADEQ Public Water System Number:	04-089

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-508295	(5) 3	37	185	8" to 21" 5" to 185'	(1 1/2) 2"	1984

* 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
15 HP	1	2	
30 HP	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
200 000	1	10 000 Gal	1

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

Company Name: Kohl's Ranch Water Company	Year Ended: 2012
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WATER COMPANY PLANT DESCRIPTION

WELLS SPRINGS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
N/A						

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Flowing Spring	N/A	N/A
System 04-089 if required	N/A	-0-

BOOSTER PUMPS

Horsepower	Quantity
N/A	

FIRE HYDRANTS

Quantity Standard	Quantity Other
N/A	

STORAGE TANKS

Capacity	Quantity
None	

PRESSURE TANKS

Capacity	Quantity
None	

COMPANY NAME: KOHL'S RANCH WATER COMPANY 01/31/2013
 Name of System: SPRING ADEQ Public Water System Number: 04-013

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

MONTH		NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	2013	121	129,910	204,900	0
FEBRUARY	2012	121	37,269	226,700	}
MARCH	2012	121	275,088	441,600	
APRIL	2012	121	118,381	261,700	
MAY	2012	121	427,073	611,000	
JUNE	2012	121	485,006	649,200	
JULY	2012	121	405,180	496,300	
AUGUST	2012	121	321,185	395,600	
SEPTEMBER	2012	121	218,712	269,800	
OCTOBER	2012	121	162,036	272,100	
NOVEMBER	2012	121	214,381	304,700	
DECEMBER	2012	121	120,500	228,900	
TOTALS →			2,914,721	4,362,500	

What is the level of arsenic for each well on your system? 0.00 mg/l
 (If more than one well, please list each separately.)

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: N/A

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

WATER USE DATA SHEET

NAME OF COMPANY	KOHL'S RANCH WATER COMPANY 01/31/2013
ADEQ Public Water System Number:	WELL SYSTEM NO. 04-089

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1. Feb. 1 2012	1	196020	200700
2. March 1 2012	1	284340	275100
3. April 1 2012	1	394500	388400
4. May 1 2012	1	476260	442300
5. June 1 2012	1	805250	777400
6. July 1 2012	1	715170	695400
7. August 1 2012	1	540730	523500
8. Sept. 1 2012	1	434890	413100
9. Oct. 1 2012	1	424620	392300
10. Nov. 1 2012	1	272990	251700
11. Dec. 1 2012	1	272590	251900
12. Jan. 1 2013	1	266460	274900
TOTAL	N/A	5,083,820	4,886,700*

Is the water utility located in an ADWR Active Management Area ("AMA")?

YES NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

YES NO

If Yes, please provide the GPCD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.

* Gallons pumped cannot equal or be less than the gallons sold.

COMPANY NAME:	KOH'S RANCA WATER COMPANY
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	NONE	NONE	N/A
FEBRUARY	NONE	NONE	
MARCH	NONE	NONE	
APRIL	NONE	NONE	
MAY	NONE	NONE	
JUNE	NONE	NONE	
JULY	NONE	NONE	
AUGUST	NONE	NONE	
SEPTEMBER	NONE	NONE	
OCTOBER	NONE	NONE	
NOVEMBER	NONE	NONE	
DECEMBER	NONE	NONE	
TOTALS →	0	0	

OTHER (description):

COMPANY NAME KOHL'S RANCHA WATER COMPANY YEAR ENDING 12/31/2012

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 1,854.70

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. _____

COMPANY NAME KOHL'S RANCA WATER COMPANY

YEAR ENDING 12/31/2012

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 1,204
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 1,204
Estimated or Actual State Tax Liability 84

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.

Douglas Thorpe
SIGNATURE

4-12-2013
DATE

Douglas Thorpe
PRINTED NAME

OWNER
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

APR 10 2013
AZ CORP COM
Division 100010

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>GILA</u>
NAME (OWNER OR OFFICIAL) TITLE <u>DOUGLAS R THORNE, MANAGER</u>
COMPANY NAME <u>KOHL'S RANCH WATER COMPANY</u>

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>\$ 116,346.37</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 10,027.79 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)**

Douglas R Thorne
SIGNATURE OF OWNER OR OFFICIAL
928 978 0070
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12TH DAY OF

COUNTY NAME	<u>GILA</u>
MONTH	<u>April</u> 20 <u>13</u>

(SEAL)

MY COMMISSION EXPIRES

5/29/14



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

RECEIVED
APR 15 2013
ARIZONA CORPORATION COMMISSION
Phoenix, Arizona

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) GILA COUNTY	
NAME (OWNER OR OFFICIAL) DOUGLAS R. THORNE	TITLE PRESIDENT
COMPANY NAME KOHL'S RANCH 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>116,346.37</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 10,027.79 IN SALES TAXES BILLED, OR COLLECTED)

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


SIGNATURE OF OWNER OR OFFICIAL
978 00 70
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

NOTARY PUBLIC NAME KAREN L. DAVIS	
COUNTY NAME GILA	
MONTH April	YEAR 2013



MY COMMISSION EXPIRES 5/29/14


SIGNATURE OF NOTARY PUBLIC