

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02466A

Walnut Creek Water Company, Inc.
119 E. Andy Devine Ave.
Kingman, AZ 86401

RECEIVED

MAR 14 2013

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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3-14-13

Statutory Agent: Dennis Sim
(Name)

3130 McConnico Golden Valley AZ 86413
(Street) (City) (State) (Zip)

928-753-6606 928-753-1801 928-279-4857
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 type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input checked="" 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:

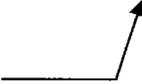
<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input checked="" type="checkbox"/> MOHAVE
<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		

COMPANY NAME

Walnut Creek Water Company, Inc.

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	4,425	-	4,425
304	Structures and Improvements	2,544	2,544	-
307	Wells and Springs	23,549	13,929	9,620
311	Pumping Equipment	81,034	47,698	33,336
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	5,266	5,266	-
331	Transmission and Distribution Mains	506,623	379,021	127,602
333	Services	6,729	6,729	-
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	10,211	8,255	1,956
340	Office Furniture and Equipment	505	118	387
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	46,475	38,875	7,600
346	Communication Equipment	17,562	2,325	15,237
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	704,923	504,760	200,163

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

COMPANY NAME Walnut Creek Water Co.mpany, Inc.

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	4,425	None	-
304	Structures and Improvements	2,544	3.33	
307	Wells and Springs	23,549	3.33	784
311	Pumping Equipment	81,034	12.50	10,129
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	5,266	2.22	-
331	Transmission and Distribution Mains	506,623	2.00	10,132
333	Services	6,729	3.33	-
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	10,211	6.67	681
340	Office Furniture and Equipment	505	6.67	34
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	46,475	5.00	2,324
346	Communication Equipment	17,562	10.00	1,119
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	704,923		25,203

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



BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 75,724	\$ 46,278
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	10,639	11,184
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 86,363	\$ 57,462
	FIXED ASSETS		
101	Utility Plant in Service	\$ 692,183	\$ 704,923
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(479,557)	(504,760)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 212,626	\$ 200,163
	TOTAL ASSETS	\$ 298,989	\$ 257,625

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

COMPANY NAME Walnut Creek Water Company Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 2,261	\$ 9,746
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	450	975
236	Accrued Taxes	3,442	3,654
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 6,153	\$ 14,375
	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	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 6,153	\$ 14,375
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 9,000	\$ 9,000
211	Paid in Capital in Excess of Par Value	717,389	675,389
215	Retained Earnings	(433,553)	(441,139)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 292,836	\$ 243,250
	TOTAL LIABILITIES AND CAPITAL	\$ 298,989	\$ 257,625

COMPANY NAME Walnut Creek Water Company Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 139,052	\$ 139,395
460	Unmetered Water Revenue	3,315	7,603
474	Other Water Revenues	915	1,195
	TOTAL REVENUES	\$ 143,282	\$ 148,193
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 50,456	\$ 53,376
610	Purchased Water		
615	Purchased Power	20,776	20,850
618	Chemicals		
620	Repairs and Maintenance	18,973	25,076
621	Office Supplies and Expense	3,318	4,971
630	Outside Services	7,070	4,348
635	Water Testing	240	240
641	Rents	3,408	3,843
650	Transportation Expenses	6,325	5,197
657	Insurance – General Liability	8,101	7,068
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense (Bad Debt)		1,143
403	Depreciation Expense	24,358	25,203
408	Taxes Other Than Income		
408.11	Property Taxes	4,588	5,063
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 147,613	\$ 156,378
	OPERATING INCOME/(LOSS)	\$ (4,331)	\$ (8,185)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 459	\$ 620
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		(21)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 459	\$ 599
	NET INCOME/(LOSS)	\$ (3,872)	\$ (7,586)

COMPANY NAME

Walnut Creek Water Co., Inc.

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

\$ 525

Meter Deposits Refunded During the Test Year

\$1,600

COMPANY NAME Walnut Creek Water Co., Inc.
Name of System: Walnut Creek ADEQ Public Water System Number: 08-078

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-506325	25	150	850	6	2	1984
55-580129	15	100	900	6	3	2000
55-581044	20	110	700	6	3	2000
55-208038	40	300	920	8	4	2005
55-529524	-	-	6500	7	-	1990

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2	27	
10	2		
10	3		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
65,000	1	5,000	1
250,000	1		

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

COMPANY NAME Walnut Creek Water Co., Inc.

Name of System: Walnut Creek

ADEQ Public Water System Number: 08-078

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	13,002
5		
6	PVC	39,359
8	PVC	1,995
10		
12		
6	AC	13,032
8	AC	10,137

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	248
3/4	
1	3
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

STRUCTURES:

2 Pump Houses

OTHER:

1 - 50kw Generator

1 - 75kw Generator

1 - CAT Backhoe 446

1 - 4000 ga Water Truck

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

COMPANY NAME: Walnut Creek Water Co., Inc.	
Name of System: Walnut Creek	ADEQ Public Water System Number: 08-078

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	259	1,516	1,656	
FEBRUARY	261	1,380	1,516	
MARCH	259	1,565	1,697	
APRIL	258	1,883	2,057	
MAY	260	2,249	2,425	
JUNE	260	2,944	3,211	
JULY	263	2,838	3,015	
AUGUST	262	2,650	2,798	
SEPTEMBER	262	1,883	2,138	
OCTOBER	260	2,349	2,567	
NOVEMBER	261	1,585	1,774	
DECEMBER	259	1,580	1,673	
TOTALS →		24,422	26,527	

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

If system has fire hydrants, what is the fire flow requirement? 750 GPM for 2 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.

Arsenic Levels
 Well #2 - .009 Well #4 - .0054
 Well #3 - .008 Well #5 - not in service

COMPANY NAME: Walnut Creek Water Co., Inc.
Name of System: Walnut Creek ADEQ Public Water System Number: 08-078

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		1	
FEBRUARY		3	
MARCH		5	
APRIL		-	
MAY		5	
JUNE		-	
JULY		4	
AUGUST		1	
SEPTEMBER		3	
OCTOBER		8	
NOVEMBER		2	
DECEMBER		1	
TOTALS →		33	

OTHER (description):

COMPANY NAME Walnut Creek Water Co., Inc. YEAR ENDING 12/31/2012

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 4,812.42

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

MAR 14 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Mohave</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Scott Dunton, President</u>
COMPANY NAME	<u>Walnut Creek Water Co., Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

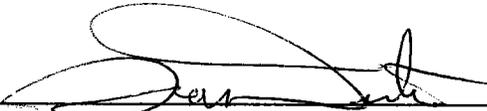
MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2012</u>

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

928-753-1314

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

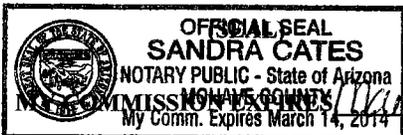
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

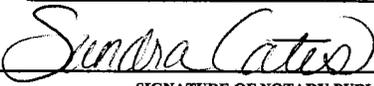
THIS

6th

DAY OF

COUNTY NAME	<u>Mohave</u>
MONTH	<u>March</u> , <u>2013</u>





SIGNATURE OF NOTARY PUBLIC

March 14, 2014

COMPANY NAME Walnut Creek Water Co., Inc. YEAR ENDING 12/31/2012

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported (10,141)
Estimated or Actual Federal Tax Liability -

State Taxable Income Reported (9,521)
Estimated or Actual State Tax Liability -

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

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

03/06/13

DATE

Scott Dunton

PRINTED NAME

President

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

**RECEIVED
MAR 14 2013**

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Mohave
NAME (OWNER OR OFFICIAL) TITLE	Scott Dunton, President
COMPANY NAME	Walnut Creek Water Co., Inc.

AZ CORP COMM
Director - Utilities

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.

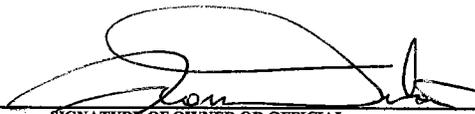
SWORN STATEMENT

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>163,471.66</u>

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 10,118.81
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
928-753-1314
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

_____¹²th DAY OF

 OFFICIAL SEAL SANDRA CATES NOTARY PUBLIC - State of Arizona MOHAVE COUNTY My Comm. Expires March 14, 2014
--

COUNTY NAME	Mohave
MONTH	March
	.20 <u>13</u>



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES March 14, 2014

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

RECEIVED

MAR 14 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Mohave	
NAME (OWNER OR OFFICIAL) Scott Dunton	TITLE President
COMPANY NAME Walnut Creek Water Co., Inc.	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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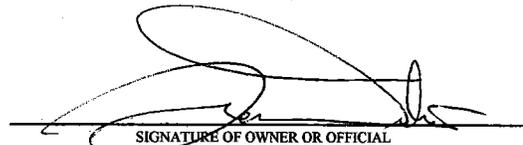
SWORN STATEMENT

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>145,736.05</u>

**THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 9,004.08
IN SALES TAXES BILLED, OR COLLECTED)**

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


SIGNATURE OF OWNER OR OFFICIAL

928-753-1314

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

6th

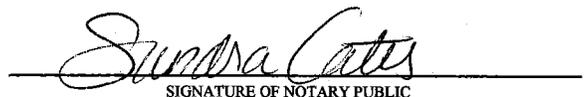
DAY OF

NOTARY PUBLIC NAME Sandra Cates	
COUNTY NAME Mohave	
MONTH March	.20 <u>13</u>

(SEAL)



MY COMMISSION EXPIRES March 14, 2014


SIGNATURE OF NOTARY PUBLIC