4-20-01
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

H

W-03782A WATER
WILLIAM F. LESKO DBA HECKETHORN WATER COMPANY
~~5210 E DAPHNE LANE~~ 4400 E Button Lane
FLAGSTAFF AZ 86001-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000

FOR COMMISSION USE

ANN 04	00

COMPANY INFORMATION

Company Name (Business Name) Heckethorn Water Co

Mailing Address 4400 E Button Lane
(Street)

Flagstaff (City) Az (State) 86001 (Zip)

520-213-1778 Telephone No. (Include Area Code) SAME Fax No. (Include Area Code) 520-527-5090 Pager/Cell No. (Include Area Code)

Email Address

Local Office Mailing Address
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: William Lesko (Name) OWNER (Title)

5210 E Daphne Ln (Street) Flagstaff (City) Az (State) 86001 (Zip)

520-779-0543 Telephone No. (Include Area Code) 520-213-1778 Fax No. (Include Area Code) 520-527-5090 Pager/Cell No. (Include Area Code)

Email Address

On Site Manager:
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

Statutory Agent: _____
(Name)

_____
(Street) (City) (State) (Zip)

_____
Telephone No. (Include Area Code) Fax No. (Include Area Code Pager/Cell No. (Include Area Code)

Attorney: _____
(Name)

_____
(Street) (City) (State) (Zip)

_____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- [x] **Sole Proprietor (S)**
- [ ] **Partnership (P)**
- [ ] **Bankruptcy (B)**
- [ ] **Receivership (R)**
- [ ] **Other (Describe)** _____
- [ ] **C Corporation (C) (Other than Association/Co-op)**
- [ ] **Subchapter S Corporation (Z)**
- [ ] **Association/Co op (A)**
- [ ] **Limited Liability Company**

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- [ ] **APACHE**
- [ ] **GILA**
- [ ] **LA PAZ**
- [ ] **NAVAJO**
- [ ] **SANTA CRUZ**
- [ ] **STATEWIDE**
- [ ] **COCHISE**
- [ ] **GRAHAM**
- [ ] **MARICOPA**
- [ ] **PIMA**
- [ ] **YAVAPAI**
- [x] **COCONINO**
- [ ] **GREENLEE**
- [ ] **MOHAVE**
- [ ] **PINAL**
- [ ] **YUMA**

COMPANY NAME	Heckethorn Water Co. 12-31-00

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	8,000		8000
304	Structures and Improvements	1936	130	1806
307	Wells and Springs	6976	569	6407
311	Pumping Equipment	16090	2236	13854
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	4398	217	4181
331	Transmission and Distribution Mains	9507	575	8932
333	Services	1180	96	1084
334	Meters and Meter Installations	886	94	792
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	2443	408	2035
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	51,416	4325	47,091

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

COMPANY NAME	HECKETHORN WATER CO 12-31-00

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	8,000		
304	Structures and Improvements	1,936	2.45	47
307	Wells and Springs	6,976	2.97	207
311	Pumping Equipment	16,090	5.05	813
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	4,398	1.80	79
331	Transmission and Distribution Mains	9,507	2.20	209
333	Services	1180	2.96	35
334	Meters and Meter Installations	886	3.82	34
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	2443	6.50	159
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	51,416		1583

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

COMPANY NAME	HeckeThorn Water Co 12-31-00

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 3243	$ 2603
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	$ 3243	$ 2603
	FIXED ASSETS		
101	Utility Plant in Service	$ 51,416	$ 51,416
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	2742	4325
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ 48,674	$ 47,091
	TOTAL ASSETS	$ 51,917	$ 49,694

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

COMPANY NAME	HeckeThorn Water Co

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$	$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	115	115
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	$ 115	$ 115
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$ 49,254	$ 44,164
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	$	$
252	Advances in Aid of Construction	4511	4511
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	$ 4511	$ 4511
	TOTAL LIABILITIES	$ 53,880	$ 48,790
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$	$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	(1963)	904
	TOTAL CAPITAL	$ (1963)	$ 904
	TOTAL LIABILITIES AND CAPITAL	$ 51917	$ 49649

COMPANY NAME	Heckethorn Water Co

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 28,581	$ 27,982
460	Unmetered Water Revenue	147	
474	Other Water Revenues		
	TOTAL REVENUES	$ 28,728	$ 27,982
	OPERATING EXPENSES		
601	Salaries and Wages	$ 562	$ 403
610	Purchased Water		
615	Purchased Power	4559	4245
618	Chemicals	13	
620	Repairs and Maintenance	4540	6961
621	Office Supplies and Expense	2118	1454
630	Outside Services	936	1020
635	Water Testing	1059	629
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1145	1094
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2205	2156
403	Depreciation Expense	1583	1583
408	Taxes Other Than Income	885	1371
408.11	Property Taxes	722	889
409	Income Tax		
	TOTAL OPERATING EXPENSES	$ 20,327	$ 21,805
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	$	$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	140	
427	Interest Expense	3131	3310
	TOTAL OTHER INCOME/EXP	$ 3271	$ 3310
	NET INCOME/(LOSS)	$ 5130	$ 2867

COMPANY NAME	Heckethorn Water Co

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	3-1-99			
Source of Loan	Bank			
ACC Decision No.				
Reason for Loan	Purchase			
Dollar Amount Issued	$ 53,231	$	$	$
Amount Outstanding	$ 44,164	$	$	$
Date of Maturity	8-1-07			
Interest Rate	7.05%			
Current Year Interest	$ 3310	$	$	$
Current Year Principle	$ 5090	$	$	$

Meter Deposit Balance at Test Year End $ _____

Meter Deposits Refunded During the Test Year $ _____

COMPANY NAME	Heckethorn Water Co

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
611228	25	55	12"	2"

OTHER WATER SOURCES

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

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 4.335 K/g

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
6,000	1	500	1
10,000	1		

STATISTICAL INFORMATION

Total number of customers 44

Total number of gallons sold 4,335,000 gallons

COMPANY NAME HeckeThorn Water Co **YEAR ENDING 12/31/2000**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: $ 888.76

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_____ YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
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 **DATE**

_____ _____
PRINTED NAME **TITLE**

COMPANY NAME_____ YEAR ENDING 12/31/2000

WATER AND SEWER
UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

$_____

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 reasons below:

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	COCONINO
NAME (OWNER OR OFFICIAL) TITLE	WILLIAM Lesko OWNER
COMPANY NAME	Heckethorn Water Co

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

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 2000 WAS:

Arizona IntraState Gross Operating Revenues Only ($)
$ 27,982.-

(THE AMOUNT IN BOX ABOVE INCLUDES $ 1622.- **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)**

William F. Lesko
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 16th **DAY OF**

COUNTY NAME Coconino	
MONTH April	2001

Debra S. Owens
SIGNATURE OF NOTARY PUBLIC

OFFICIAL SEAL
(SEAL)
DEBRA S. OWENS
NOTARY PUBLIC - STATE OF ARIZONA
COCONINO COUNTY
My commission expires July 18, 2004.

MY COMMISSION EXPIRES JULY 18, 2004

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) CoCONINO	
NAME (OWNER OR OFFICIAL) WILLIAM Lesko	TITLE OWNER
COMPANY NAME Heckthorn Water Co	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

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 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 15,452

(THE AMOUNT IN BOX AT LEFT INCLUDES $ 896.-
IN SALES TAXES BILLED, OR COLLECTED

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

X William F. Lesko
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 16th **DAY OF**

NOTARY PUBLIC NAME Debra S. Owens	
COUNTY NAME Coconino	
MONTH April	, 2001

OFFICIAL SEAL
DEBRA S. OWENS
NOTARY PUBLIC - STATE OF ARIZONA
COCONINO COUNTY
My commission expires July 18, 2004.

MY COMMISSION EXPIRES July 18, 2004

X Debra S. Owens
SIGNATURE OF NOTARY PUBLIC

WFB TEMPE,AZ 11012000
TRACER# 2507 014
PAY TO THE ORDER OF
WELLS FARGO BANK ARIZONA NA
122105278

10 31 00

FOR DEPOSIT ONLY
CONNIE FRY
COCONINO COUNTY TREASURER
4784903889

ENDORSE HERE

NO 00 02
122100024
BANK ONE, ARIZONA, N.A.
PHOENIX, ARIZONA

HECKETHORN WATER CO.
4400 E. BUTTON LANE 520-213-1778
FLAGSTAFF, AZ 86001

91-2/1221
20632195

1417

DATE 10-24-00

PAY TO THE ORDER OF Coconino County Assessor $ 888.76

Eight hundred eighty eight and 76/100 DOLLARS

Security features included. Details on back.

BANK ONE.
Bank One, Arizona, NA
Flagstaff Milton Road Office (106)
Flagstaff, Arizona

MEMO 932-20-100

MP

⑆122100024⑆1417⑈2063⑈2195⑈ ⑈0000088876⑈

SAFETY PAPER

© DELUXE END-STUB DBK

ENDORSE HERE

HFB TEMPE,AZ 11012000
TRACER# 2507 014
PAY TO THE ORDER OF
WELLS FARGO BANK ARIZONA NA
122105278

10 31 00

FOR DEPOSIT ONLY
CONNIE FRY
COCONINO COUNTY TREASURER
4784903889

NO 00 02
122100024
BANK ONE, ARIZONA, N.A.
PHOENIX, ARIZONA

HECKETHORN WATER CO.
4400 E. BUTTON LANE 520-213-1778
FLAGSTAFF, AZ 86001

91-2/1221
20632195

1417

DATE 10-24-00

PAY TO THE ORDER OF Coconino County Assessor $ 888.76

Eight hundred eighty eight and 76/00 DOLLARS

Security features included. Details on back.

BANK ONE.
Bank One, Arizona, NA
Flagstaff Milton Road Office (106)
Flagstaff, Arizona

MEMO 932-20-100

MP

⑆122100024⑆1417⑈2063⑈2195⑈ ⑈0000088876⑈

SAFETY PAPER

© DELUXE END-STUB DISK