ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION
RECEIVED
APR 1 8
Director of Utilities

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

H

W-03782A
HECKETHORN WATER COMPANY
4400 E. BUTTON LANE
FLAGSTAFF AZ 86001-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001

FOR COMMISSION USE

ANN04	01

Processed by:
4-18-02 Cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Heckethorn Water Company

Mailing Address 4400 E. Button Lane
(Street)

Flagstaff (City) Arizona (State) 86001 (Zip)

(928) 213-1778 Telephone No. (Include Area Code) SAME Fax No. (Include Area Code) Pager: (928) 527-5090 Cell: (928) 380-8745 Pager/Cell No. (Include Area Code)

Email Address –

Local Office Mailing Address SAME
(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 F. Lesko (Name) Owner (Title)

5210 E. Daphne Lane (Street) Flagstaff (City) AZ (State) 86001 (Zip)

(928) 779-0543 Telephone No. (Include Area Code) (928) 213-1778 Fax No. (Include Area Code) Pager: (928) 527-5090 Cell (928) 380-8745 Pager/Cell No. (Include Area Code)

Email Address –

On Site Manager: SAME
(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:

- ☑ **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 Heckethorn Water Company 12-31-01

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	8000		8000
304	Structures and Improvements	1936	177	1759
307	Wells and Springs	6976	776	6200
311	Pumping Equipment	16090	3049	13041
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	4398	296	4102
331	Transmission and Distribution Mains	9507	784	8723
333	Services	1180	131	1049
334	Meters and Meter Installations	886	128	758
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	567	1876
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	51416	5908	45508

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

COMPANY NAME Heckethorn Water Company 12-31-01

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	8000		
304	Structures and Improvements	1936	2.47	47
307	Wells and Springs	6976	2.97	207
311	Pumping Equipment	16090	5.05	813
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	4398	1.80	79
331	Transmission and Distribution Mains	9507	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	51416		1583

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

COMPANY NAME Heckethorn Water Company 12-31-01

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 2603	$ 2577
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	$ 2603	$ 2577
	FIXED ASSETS		
101	Utility Plant in Service	$ 51416	$ 51416
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	4325	5908
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ 47091	$ 45508
	TOTAL ASSETS	**$** 49694	**$** 52271

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

COMPANY NAME Heckethorn Water Company 12-31-01

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	$ 44164	$ 38704
	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	$ 48790	$ 43330
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$	$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	904	
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	$ 904	$ 8941
	TOTAL LIABILITIES AND CAPITAL	$ 49694	$ 52271

COMPANY NAME Heckethorn Water Company 12-31-01

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 27,982	$ 26,662
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	$ 27,982	$ 26,662
	OPERATING EXPENSES		
601	Salaries and Wages	$ 403	$ 488
610	Purchased Water		
615	Purchased Power	4245	4322
618	Chemicals		
620	Repairs and Maintenance	6961	1667
621	Office Supplies and Expense	1454	3852
630	Outside Services	1020	1016
635	Water Testing	629	603
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1094	1110
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2156	
403	Depreciation Expense	1583	1583
408	Taxes Other Than Income	1371	
408.11	Property Taxes	889	1045
409	Income Tax		
	TOTAL OPERATING EXPENSES	$ 21805	$ 15686
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	$	$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	3310	2939
	TOTAL OTHER INCOME/EXP	$ 3310	$ 2939
	NET INCOME/(LOSS)	$ 2867	$ 8037

COMPANY NAME Heckethorn Water Company 12-31-01

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	$ 53231	$	$	$
Amount Outstanding	$ 38704	$	$	$
Date of Maturity	8-1-07			
Interest Rate	7.05%			
Current Year Interest	$ 2939	$	$	$
Current Year Principle	$ 5461	$	$	$

Meter Deposit Balance at Test Year End $ _____

Meter Deposits Refunded During the Test Year $ _____

COMPANY NAME	Heckethorn Water Company	12-31-01

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
611238	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.) = 4.277 Kgals

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

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

STATISTICAL INFORMATION

Total number of customers 44

Total number of gallons sold 3.983 K gals gallons

COMPANY NAME_____ YEAR ENDING 12/31/2001

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 Heckethorn Water Company YEAR ENDING 12/31/2001

WATER AND SEWER UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

$ 1045.38

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:

ARIZONA CORPORATION COMMISSION
RECEIVED
APR 2 0 [illegible]
Director of Utilities

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 Iesko -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	2001

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 2001 WAS:

Arizona IntraState Gross Operating Revenues Only ($)
$ 26,661.-

(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)

William I. Iesko
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	Coconino
MONTH	April 2002

THIS 13 DAY OF

(SEAL)

OFFICIAL SEAL
CYNTHIA M. De ANGELIS
NOTARY PUBLIC - ARIZONA
COCONINO COUNTY
My Comm. Expires Mar. 15, 2003

Cynthia M. DeAngelis
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES March 15, 2003

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

ARIZONA CORPORATION COMMISSION
RECEIVED
APR 1 0

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Coconino	
NAME (OWNER OR OFFICIAL) William Lesko	TITLE owner
COMPANY NAME Hackathorn Water Co	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

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 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 26,661.-

(THE AMOUNT IN BOX AT LEFT INCLUDES $ 1,681.76 IN SALES TAXES BILLED, OR COLLECTED

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

X William T. Lesko
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12th DAY OF

NOTARY PUBLIC NAME Cynthia M. DeAngelis	
COUNTY NAME Coconino	
MONTH April	20 02

OFFICIAL SEAL
CYNTHIA M. De ANGELIS
NOTARY PUBLIC - ARIZONA
COCONINO COUNTY
My Comm. Expires Mar. 15, 2003

(SEAL)

X Cynthia M. DeAngelis
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES March 15, 2003

932-20-100

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

91-2/1221
0632195

1589

DATE 10-30-01

PAY TO THE ORDER OF Coconino County Treasurer $ 1,045.38

One thousand forty five and 38/100 DOLLARS

Security features included. Details on back.

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

MEMO 115-02-040-B

William L

⑆122100024⑆ 1589⑈ 2063⑈ 2195⑈ ⑈0000104538⑈

WFB TEMPE,AZ 11162001
TRACER# 2998 014
▶1221 0527-8◀
0930092220

NO 19
122100024
BANK ONE, NA
PHOENIX, ARIZONA

PAY TO THE ORDER OF
WELLS FARGO BANK
1221 0527

FOR DEPOSIT
BCN
COCONINO