ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

A

W-02327A
Antelope Run Water Company
301 North Garden Avenue
Sierra Vista AZ 856350000

ANNUAL REPORT

ARIZONA CORPORATION COMMISSION
RECEIVED
APR 23 2003
Director of Utilities

FOR YEAR ENDING

12	31	2002

Entered 4/25/03 C.M.

FOR COMMISSION USE

ANN 04	02

OK

COMPANY INFORMATION

Company Name (Business Name) ANTELOPE RUN WATER

Mailing Address 301 N GARDEN AVE
(Street)

SIERRA VISTA | AZ | 85635
(City) | (State) | (Zip)

520-458-3209 | 520-439-9717
Telephone No. (Include Area Code) | Fax No. (Include Area Code) | 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: NATHAN WATKINS | Manager
(Name) | (Title)

301 N GARDEN AVE | SIERRA VISTA | AZ | 85635
(Street) | (City) | (State) | (Zip)

520 458 3209 | 520-439-9717 | 520-940-0097
Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Pager/Cell No. (Include Area Code)

Email Address nwatkins@theriver.com

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: Bob Watkins
(Name)

301 N Garden Ave	Sierra Vista	AZ	85635
(Street)	(City)	(State)	(Zip)

520-458-4388	520-459-7603	
Telephone No. (Include Area Code)	Fax No. (Include Area Code	Pager/Cell No. (Include Area Code)

Attorney: N/A
(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)**
- [ ] **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**	[x] **COCHISE**	[ ] **COCONINO**
[ ] **GILA**	[ ] **GRAHAM**	[ ] **GREENLEE**
[ ] **LA PAZ**	[ ] **MARICOPA**	[ ] **MOHAVE**
[ ] **NAVAJO**	[ ] **PIMA**	[ ] **PINAL**
[ ] **SANTA CRUZ**	[ ] **YAVAPAI**	[ ] **YUMA**
[ ] **STATEWIDE**		

COMPANY NAME ANTELOPE RUN WATER

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	350		350
304	Structures and Improvements	2014	1633	381
307	Wells and Springs	23856	21320	2536
311	Pumping Equipment	28821	15954	12867
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3167	2502	665
331	Transmission and Distribution Mains	99831	54703	45128
333	Services			
334	Meters and Meter Installations	3636	2765	871
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1097	924	173
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	162,772	99,801	62,971

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

COMPANY NAME Antelope Run Water

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	350		
304	Structures and Improvements	2014		101
307	Wells and Springs	23856		1193
311	Pumping Equipment	28821		1994
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3167		0
331	Transmission and Distribution Mains	99831		6827
333	Services			
334	Meters and Meter Installations	3636		236
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1097		155
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	162,772		10506

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

COMPANY NAME	Antelope Run Water

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ < 171 >	$ 3015
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		71
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	$ < 171 >	$ 3086
	FIXED ASSETS		
101	Utility Plant in Service	$ 156,024	$ 162,772
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	89 295	99 801
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ 66,729	$ 62,971
	TOTAL ASSETS	**$** 66,558	**$** 66,057

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

COMPANY NAME	Antelope Run Water

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$	$ 1848
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	13 114	13 114
235	Customer Deposits		
236	Accrued Taxes	573	586
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	1500	1500
	TOTAL CURRENT LIABILITIES	$ 15 187	$ 17 048
	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	48 805	48 738
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	$ 48 805	$ 48 738
	TOTAL LIABILITIES	$ 63,992	$ 65,786
	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)	2,566	271
	TOTAL CAPITAL	$ 2566	$ 271
	TOTAL LIABILITIES AND CAPITAL	$ 64,558	$ 66,057

COMPANY NAME	Antelope Run Water

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 32,308	$ 36,685
460	Unmetered Water Revenue		
474	Other Water Revenues	375	621
	TOTAL REVENUES	$ 32,683	$ 37,306
	OPERATING EXPENSES		
601	Salaries and Wages	$ 6,250	$ 7,200
610	Purchased Water		
615	Purchased Power	7,058	7,947
618	Chemicals		
620	Repairs and Maintenance	2,224	4,220
621	Office Supplies and Expense	1,394	1,132
630	Outside Services	1,313	670
635	Water Testing	1,570	1,727
641	Rents	100	2,400
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	163	412
403	Depreciation Expense	9,517	10,506
408	Taxes Other Than Income	775	645
408.11	Property Taxes	1,768	2,705
409	Income Tax		
	TOTAL OPERATING EXPENSES	$ 32,132	$ 39,564
	OPERATING INCOME/(LOSS)	$	$ < 2,258 >
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	$	$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		37
	TOTAL OTHER INCOME/(EXPENSE)	$ ⊖	$
	NET INCOME/(LOSS)	**$** 551	**$** < 2,295 >

COMPANY NAME	ANTELOPE RUN WATER

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 $ _____

Meter Deposits Refunded During the Test Year $ _____

COMPANY NAME	ANTELOPE RUN WATER

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-632904	20	180	140	10	3	1979
55-632905	N/A	N/A	950	8	N/A	1979
55-632906	1	15	100	8	N/A	1979

- 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
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
17,000	1	6,000	1
3,000	1	1500	1
		85	1

COMPANY NAME	Antelope Run Water

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	700
3		
4	PVC	9500
5		
6	PVC	13000
8	PVC	100
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	118
3/4	
1	4
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

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

TREATMENT EQUIPMENT:

STRUCTURES:

Frames

OTHER:

Furniture

COMPANY NAME: Antelope Run Water

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLON PUMPED (Thousands)
JANUARY	113	977	
FEBRUARY	115	942	
MARCH	115	863	
APRIL	115	1368	
MAY	117	1768	
JUNE	119	2172	
JULY	120	2821	
AUGUST	119	1763	
SEPTEMBER	118	1651	
OCTOBER	120	1818	
NOVEMBER	122	1785	
DECEMBER	121	1438	
	TOTAL	N/A	

19372 000 gm

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (x) No

If yes, provide the GPCPD amount:_____

What is the level of arsenic for each well on your system. < 0.001 mg/l
(*If more than one well, please list each separately*)

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

COMPANY NAME Antelope Run Water **YEAR ENDING 12/31/2002**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: $ 1,765

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 Antelope Run Water **YEAR ENDING 12/31/2002**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported (4560)
Estimated or Actual Federal Tax Liability

State Taxable Income Reported (4560)
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.

Nath Watk
SIGNATURE

4-13-03
DATE

Nathan Watkins
PRINTED NAME

Manager
TITLE

ARIZONA CORPORATION COMMISSION

RECEIVED

APR 23 2003

Director of Utilities

VERIFICATION AND SWORN STATEMENT

Intrastate Revenues Only

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Cochise
NAME (OWNER OR OFFICIAL) TITLE	Nathan Watkins, Manager
COMPANY NAME	Antelope Run Water

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

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 2002 WAS:

Arizona IntraState Gross Operating Revenues Only ($)
$ 39 617

(THE AMOUNT IN BOX ABOVE INCLUDES $ 2371 **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)**

Nathan Watkins

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF Cochise

THIS 14th **DAY OF** April 2003

(SEAL)

MY COMMISSION EXPIRES 4/22/03

Virginia Ward

SIGNATURE OF NOTARY PUBLIC

OFFICIAL SEAL
VIRGINIA WARD
Notary Public - Arizona
COCHISE COUNTY
My Commission Expires
April 22, 2003

ARIZONA CORPORATION COMMISSION
RECEIVED
APR 23 2003
DIRECTOR OF UTILITIES

VERIFICATION AND SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA (COUNTY NAME) Cochise

I, THE UNDERSIGNED NAME (OWNER OR OFFICIAL) NATHAN WATKINS TITLE Manager

OF THE COMPANY NAME ANTELOPE RUN WATER

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

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 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 39,093

(THE AMOUNT IN BOX AT LEFT INCLUDES $ 2335 IN SALES TAXES BILLED, OR COLLECTED

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

Nath Watk
SIGNATURE OF OWNER OR OFFICIAL

OFFICIAL SEAL VIRGINIA WARD Notary Public - Arizona COCHISE COUNTY My Comm. Expires 4/22/03

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th **DAY OF**

NOTARY PUBLIC NAME Virginia Ward
COUNTY NAME Cochise
MONTH April 20 03

OFFICIAL SEAL VIRGINIA WARD Notary Public COCHISE My Comm.

(SEAL)

MY COMMISSION EXPIRES 4/22/03

X Virginia Ward
SIGNATURE OF NOTARY PUBLIC

01-901-26-870-6

1467

ANTELOPE RUN WATER COMPANY
301 N. GARDEN AVE.
SIERRA VISTA, ARIZONA 85635
(520) 458-4388

WELLS FARGO BANK
Sierra Vista Office
Sierra Vista, Arizona

91-527/1221

4/17/2002

PAY TO THE ORDER OF MARSHA BONHAM. $ **824.60

Eight Hundred Twenty-Four and 60/100********** DOLLARS

MARSHA BONHAM.

MEMO PAR#901-26-870-6 Second Half 2001

⑈001467⑈ ⑆122105278⑆0911759819⑈ ⑈0000082460⑈

1528

ANTELOPE RUN WATER COMPANY
301 N. GARDEN AVE.
SIERRA VISTA, ARIZONA 85635
(520) 458-4388

WELLS FARGO BANK
Sierra Vista Office
Sierra Vista, Arizona

91-527/1221

10/10/2002

PAY TO THE ORDER OF MARSHA BONHAM. $ **940.29

Nine Hundred Forty and 29/100********** DOLLARS

MARSHA BONHAM.

MEMO PAR#901-26-870-6 First half 2002

⑈001528⑈ ⑆122105278⑆0911759819⑈ ⑈0000094029⑈