

ANNUAL REPORT

Of

Company Name:

White Horse Ranch Owners Association, Inc.
--

c/o HOAMCO

Mailing Address: PO Box 10000

Prescott AZ
86304

Docket No.: W-04161A

For the Year Ended:

12/31/25

RECEIVED BY EMAIL
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:

Original Filing

Application Date:

4/6/2026

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
White Horse Ranch Owners Association, Inc.
A Class ☐ Utility

For the Calendar Year Ended: 12/31/25

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Statutory Agent

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

NA

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

NA

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

NA

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership:

Counties Served:

Important changes during the year
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No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	68,142	0	0	68,142	0	68,142
304	Structures and Improvements	31,828	0	0	31,828	19,552	12,276
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	94,555	0	0	94,555	56,563	37,992
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	98,112	0	0	98,112	98,112	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	240,612	0	7,183	233,429	35,915	197,514
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	36,938	0	0	36,938	20,175	16,763
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	432,876	0	0	432,876	190,652	242,224
333	Services	63,840	5,700	0	69,540	42,571	26,969
334	Meters and Meter Installations	26,140	2,936	0	29,076	25,660	3,416
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	40,132	0	0	40,132	40,132	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,133,174	\$8,636	\$7,183	\$1,134,627	\$529,332	\$605,295

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	68,142	0	0	68,142	0	68,142	0.00%	0
304	Structures and Improvements	31,828	0	0	31,828	0	31,828	3.33%	1,060
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	94,555	0	0	94,555	0	94,555	3.33%	3,149
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	98,112	0	0	98,112	98,112	0	12.50%	0
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	240,612	0	7,183	233,429	0	233,429	20.00%	7,773
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	36,938	0	0	36,938	0	36,938	2.22%	820
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	432,876	0	0	432,876	0	432,876	2.00%	8,658
333	Services	63,840	5,700	0	69,540	0	69,540	3.33%	1,391
334	Meters and Meter Installations	26,140	2,936	0	29,076	0	29,076	8.33%	2,422
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	40,132	0	0	40,132	0	40,132	6.67%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$1,133,174	\$8,636	\$7,183	\$1,134,627	\$98,112	\$1,036,515		\$25,273

Contribution(s) in Aid of Construction (Gross)	\$696,454
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$696,454
Times: Proposed Amortization Rate	2.44%
Amortization of CIAC	\$16,981

Less: Amortization of CIAC **\$16,981**

DEPRECIATION EXPENSE **\$8,292**

White Horse Ranch Owners Association, Inc.
Annual Report
Balance Sheet Assets
12/31/25

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current and Accrued Assets			
131	Cash		\$344,303	\$362,601
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		50,783	27,011
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,675	
174	Miscellaneous Current and Accrued Assets		5,150	0
	Total Current and Accrued Assets		\$401,911	\$389,612
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,133,174	\$1,134,627
103	Property Held for Future Use		0	0
105	Construction Work in Progress		4,327	1,210,953
108	Accumulated Depreciation (enter as negative)*		(504,299)	(529,332)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$633,202	\$1,816,248
	Total Assets		\$1,035,113	\$2,205,860

*Note these items feed automatically from AR3 UPIS Page 4

White Horse Ranch Owners Association, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current Liabilities			
231	Accounts Payable		\$10,920	\$5,283
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		450	300
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		2,889	0
	Total Current Liabilities		\$14,259	\$5,583
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$429,672	\$1,623,000
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		19,709	20,709
255	Accumulated Deferred Investment Tax Credits			0
271	Contributions in Aid of Construction		692,454	696,454
272	Less: Amortization of Contributions		(418,558)	(435,539)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$293,605	\$281,624
	Total Liabilities		\$737,536	\$1,910,207
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		297,577	295,653
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$297,577	\$295,653
	Total Liabilities and Capital		\$1,035,113	\$2,205,860

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

White Horse Ranch Owners Association, Inc.
Annual Report
Water Comparative Income Statement
12/31/25

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2025 - 12/31/2025	Last Year 01/01/2024 - 12/31/2024
	Operating Revenue		
461	Metered Water Revenue	\$109,096	\$37,783
460	Unmetered Water Revenue	23,781	69,986
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		124,340
471	Miscellaneous Service Revenues		
474	Other Water Revenue	3,752	3,984
	Total Revenues	\$136,629	\$236,093
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water	21,710	136,920
615	Purchased Power	7,065	4,788
618	Chemicals	1,599	661
620	Materials and Supplies	1,011	3,233
620.1	Repairs and Maintenance	8,590	2,528
620.2	Office Supplies and Expense	3,136	5,855
630	Contractual Services		0
631	Contractual Services - Engineering		0
632	Contractual Services - Accounting	19,805	20,657
633	Contractual Services - Legal		0
634	Contractual Services - Management Fees	10,200	10,200
635	Contractual Services - Water Testing	2,875	3,635
636	Contractual Services - Other		2,652
640	Rents		0
641	Rental of Building/Real Property		0
642	Rental of Equipment		0
650	Transportation Expenses	1,760	1,242
657	Insurance - General Liability		0
657.1	Insurance - Health and Life		0
665	Regulatory Commission Expense - Rate		0
670	Bad Debt Expense	892	0
675	Miscellaneous Expense		0
403	Depreciation Expense (From Schedule AR4)	8,292	17,069
408	Taxes Other Than Income		0
408.11	Property Taxes	5,496	5,012
409	Income Taxes		0
427.1	Customer Security Deposit Interest	18	0
	Total Operating Expenses	\$92,449	\$214,452
	Operating Income / (Loss)	\$44,181	\$21,641
	Other Income / (Expense)		
419	Interest and Dividend Income	\$2	\$569
421	Non-Utility Income	1,380	0
426	Miscellaneous Non-Utility (Expense)		0
427	Interest (Expense)		0
	Total Other Income / (Expense)	\$1,383	\$569
	Net Income / (Loss)	\$45,563	\$22,210

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.0	0.0
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0

White Horse Ranch Owners Association, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/25

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	1/16/2025	N/A	N/A	N/A
Source of Loan	COBANK	N/A	N/A	N/A
ACC Decision No.	W-04161A-19-028	N/A	N/A	N/A
Reason for Loan	FILTRATION PR	N/A	N/A	N/A
Dollar Amt. Issued	\$1,646,000	N/A	N/A	N/A
Amount Outstanding	\$1,623,000	N/A	N/A	N/A
Date of Maturity	1/15/2028	N/A	N/A	N/A
Interest Rate	6.28%	N/A	N/A	N/A
Current Year Interest	\$73,494	N/A	N/A	N/A
Current Year Principal	\$1,623,000	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$20,709
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Meter Deposits Refunded During the Test Year:	\$0
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

[illegible]

Name of system water delivered to:	WHITE HORSE RANCH OWNERS ASSN		
ADWR PCC Number:	91-000682.0000		
Source of water delivered to another system	NA		

Name of system water received from:	PRESCOTT VALLEY MUNICIPAL WATER SYSTEM	
ADWR PCC Number:	91-000647.0000	
Source of water received	Other	
Well registry 55# (55-XXXXXX):	N/A	

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	306,991.00	553,140.00	0.00	252,900.00	0.00	\$297	1,253
February	482,653.00	593,070.00	0.00	125,600.00	0.00	333	1,524
March	488,412.00	495,840.00	0.00	0.00	0.00	399	1,909
April	496,469.00	495,870.00	0.00	0.00	0.00	436	2,097
May	570,784.00	586,950.00	0.00	0.00	0.00	526	2,330
June	594,317.00	619,930.00	0.00	18,400.00	0.00	518	2,283
July	583,371.00	557,350.00	0.00	26,000.00	0.00	505	2,496
August	683,410.00	658,610.00	0.00	0.00	0.00	520	2,614
September	577,415.00	571,694.00	0.00	0.00	0.00	534	2,366
October	589,632.00	558,776.00	0.00	0.00	0.00	540	2,383
November	675,954.00	662,735.00	0.00	44,000.00	0.00	469	2,260
December	524,169.00	469,825.00	0.00	26,000.00	0.00	467	2,239
Totals	6,573,577.00	6,823,790.00	0.00	492,900.00	0.00	\$5,543	25,754

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
2 Water sold - Total gallons from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
6 Enter the total purchased power costs for the power meters associated with this system.
7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description			
Name of the System:		WHITE HORSE RANCH OWNERS ASSOCIATION	
ADEQ Public Water System Number:		AZ0413221	
ADWR PCC Number:		91-000682 0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	1,300
4.00	PVC	8,587
6.00	PVC	13,585
8.00	PVC	12,993
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

SERVICE LINES		
Material	Percent of system	Year installed
NA		
NA		
NA		
NA		
NA		

BOOSTER PUMPS		
Horsepower	GPM	Quantity

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
80,000		1	2001

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	172	28%	
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			
NA			

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	2 EACH SODIUM HYPOCHORITE METERING PUMPS WITH RELATED EQUIPMENT
STRUCTURES:	4 EACH PUMPHOUSE; 1 STORAGE SHED; 1 STORAGE TANK
OTHER:	N/A

Customer and Other Information	
Name of the System:	WHITE HORSE RANCH OWNERS ASSN
ADEQ Public Water System Number:	AZ0413221
ADWR PCC Number:	91-000682.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	171				
February	173				
March	172				
April	173				
May	174				
June	176				
July	171				
August	172				
September	175				
October	174				
November	173				
December	176				

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

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

If yes, provide the GPCPD amount:

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

If yes, which AMA?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

White Horse Ranch Owners Association, Inc.

Annual Report

Utility Shutoffs / Disconnects

12/31/25

Utility Shutoffs / Disconnects	
Name of the System:	WHITE HORSE RANCH OWNERS ASSN
ADEQ Public Water System Number:	AZ0413221
ADWR PCC Number:	91-000682.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	2	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	1	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	3	0

Other (description):

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Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

White Horse Ranch Owners Association, Inc.
Annual Report
Property Taxes
12/31/25

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2025 was
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\$5,496

If no property taxes paid, explain why.

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Certification (Taxes)

Verification: State of Arizona I, the undersigned of the
(state name)

County of (county name):

Yavapai

Name (owner or official) title:

BRIAN RAWLINGS; PRESIDENT

Company name:

White Horse Ranch Owners Association, Inc.

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

FOR THE YEAR ENDING:

12/31/25

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.

Certification:

I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I CERTIFY THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Brian Rawlings

signature of owner/official

480-577-0812

telephone no.