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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT

Of

Company Name: Kohl's Ranch Water Company
PO Box 206

Mailing Address: Payson AZ
85547

Docket No.: W-02886A
For the Year Ended: 12/31/24

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: 3/28/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Kohl's Ranch Water Company
A Class Utility

For the Calendar Year Ended:

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:

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

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

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

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

Ownership:

Counties Served:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Kohl's Ranch Water Company

Important changes during the year
--

Yes	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.
	Company ownership changed from Thorneco West INC to Indian Gardens Spring INC


	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	0	0	0	0	0	0
304	Structures and Improvements	200,000	0	0	200,000	6,660	193,340
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	30,000	0	0	30,000	999	29,001
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	10,000	0	0	10,000	1,000	9,000
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	35,000	0	0	35,000	3,500	31,500
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	0	0	0	0	0	0
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	150,000	0	0	150,000	7,500	142,500
330.2	Pressure Tanks	28,000	0	0	28,000	1,400	26,600
331	Transmission and Distribution Mains	12,000	0	0	12,000	600	11,400
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	18,750	0	0	18,750	1,875	16,875
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	2,500	0	0	2,500	833	1,667
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	13,750	0	0	13,750	1,375	12,375
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	\$500,000	\$0	\$0	\$500,000	\$25,742	\$474,258

Kohl's Ranch Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/24

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	75,000	0	0	75,000	0	75,000	0.00%	0
304	Structures and Improvements	125,000	0	0	125,000	0	125,000	3.33%	4,163
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	30,000	0	0	30,000	0	30,000	3.33%	999
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	10,000	0	0	10,000	0	10,000	10.00%	1,000
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	35,000	0	0	35,000	0	35,000	10.00%	3,500
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	0	0	0	0	0	0	0.00%	0
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	150,000	0	0	150,000	0	150,000	5.00%	7,500
330.2	Pressure Tanks	28,000	0	0	28,000	0	28,000	5.00%	1,400
331	Transmission and Distribution Mains	12,000	0	0	12,000	0	12,000	5.00%	600
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	18,750	0	0	18,750	0	18,750	10.00%	1,875
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	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	2,500	0	0	2,500	0	2,500	33.33%	833
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	13,750	0	0	13,750	0	13,750	10.00%	1,375
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	\$500,000	\$0	\$0	\$500,000	\$0	\$500,000		\$23,245

Contribution(s) in Aid of Construction (Gross)
Less: Non Amortizable Contribution(s)
Fully Amortized Contribution(s)
Amortizable Contribution(s)
Times: Proposed Amortization Rate
Amortization of CIAC


\$0
4.65%
\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE **\$23,245**

Kohl's Ranch Water Company
Annual Report
Balance Sheet Assets
12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current and Accrued Assets			
131	Cash		\$0	
134	Working Funds			
135	Temporary Cash Investments		5,000	3,500
141	Customer Accounts Receivable		5,005	5,005
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		0	878
	Total Current and Accrued Assets		\$10,005	\$9,383
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$500,000	\$500,000
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*			(25,742)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$500,000	\$474,258
	Total Assets		\$510,005	\$483,641

*Note these items feed automatically from AR3 UPIS Page 4

Kohl's Ranch Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities		5,005	
	Total Current Liabilities		\$5,005	\$0
	Long Term Debt			
224	Long Term Debt (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		\$0	\$0
	Total Liabilities		\$5,005	\$0
	Capital Accounts			
201	Common Stock Issued		\$500,000	\$500,000
211	Other Paid-In Capital		5,000	
215	Retained Earnings			(16,359)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$505,000	\$483,641
	Total Liabilities and Capital		\$510,005	\$483,641

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

Kohl's Ranch Water Company
Annual Report
Water Comparative Income Statement
12/31/24

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2024 - 12/31/2024	Last Year 01/01/2023 - 12/31/2023
	Operating Revenue		
461	Metered Water Revenue	\$183,016	\$169,945
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues	1,275	
474	Other Water Revenue		
	Total Revenues	\$184,291	\$169,945
	Operating Expenses		
601	Salaries and Wages	\$40,221	\$34,372
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	12,139	9,765
618	Chemicals	1,928	1,352
620	Materials and Supplies	9,285	19,900
620.1	Repairs and Maintenance	5,517	4,360
620.2	Office Supplies and Expense	8,067	12,023
630	Contractual Services	16,863	11,475
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	6,321	
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	38,100	48,000
635	Contractual Services - Water Testing	2,344	3,189
636	Contractual Services - Other		3,255
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	15,926	3,877
657	Insurance - General Liability	1,358	1,210
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	1,587	1,500
403	Depreciation Expense (From Schedule AR4)	23,245	
408	Taxes Other Than Income	11,396	12,828
408.11	Property Taxes	2,935	5,400
409	Income Taxes	921	
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$198,152	\$172,506
	Operating Income / (Loss)	(\$13,862)	(\$2,560)
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$13,862)	(\$2,560)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager	1.0			1.0
Engineering Staff				0.0
System Operator(s)			0.5	0.5
Meter reader			0.5	0.5
Customer Service			0.5	0.5
Accounting			0.5	0.5
Business Office			0.5	0.5
Rates Department				0.0
Administrative Staff			0.5	0.5
Other				0.0
Total	1.0	0.0	3.0	4.0

Kohl's Ranch Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/24

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	none	none	none	none
Source of Loan	none	none	none	none
ACC Decision No.	none	none	none	none
Reason for Loan	none	none	none	none
Dollar Amt. Issued	none	none	none	none
Amount Outstanding	none	none	none	none
Date of Maturity	none	none	none	none
Interest Rate	none	none	none	none
Current Year Interest	none	none	none	none
Current Year Principal	none	none	none	none

Meter Deposit Balance at Test Year End:	
---	--

Meter Deposits Refunded During the Test Year:	
---	--

<p><i>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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.</i></p>
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Well and Water Usage

[illegible]

Name of system water delivered to:	
ADWR PCC Number:	
Source of water delivered to another system	

Name of system water received from:		
ADWR PCC Number:		
Source of water received		
Well registry 55# (55-XXXXXXX):		

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							
February							
March							
April							
May							
June							
July							
August							
September							
October							
November							
December							
Totals	0.00	0.00	0.00	0.00	0.00	\$0	0

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:	Kohl's Ranch Water Company (Well)		
ADEQ Public Water System Number:	41089 / 04-013		
ADWR PCC Number:	0		

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

Material	Percent of system	Year installed

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
15HP	63	1
30	125	1

FIRE HYDRANTS

Type	Quantity
Standard *	2
Other	

STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
200,000	Steel	1	

PRESSURE/BLADDER TANKS

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	Steel	1	

* 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)

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

TREATMENT EQUIPMENT:	1 chlorinating pump 1 Chlorine Tank
STRUCTURES:	Pump building block 1280sqft Water storage tank 38' x 24' 6' x 6' chlorinator building
OTHER:	

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC	
Method used:	

Water Utility Plant Description

Name of the System:	Kohl's Ranch Water Company (Spring)		
ADEQ Public Water System Number:	04-013		
ADWR PCC Number:	0		

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity

FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	
Other	

STORAGE TANKS

[illegible]

PRESSURE/BLADDER TANKS

[illegible]

* 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)

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

TREATMENT EQUIPMENT:	1 EACH chlorinating pump 1 EACH Chlorine Tank 4 Filter tanks and backwash
-----------------------------	---

STRUCTURES:	Chlorination building frame Filter Building frame
--------------------	--

OTHER:	
---------------	--

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC

 Method used:

Customer and Other Information	
Name of the System:	Kohl's Ranch Water Company (Well)
ADEQ Public Water System Number:	41089 / 04-013
ADWR PCC Number:	0

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	124		1		
February	124		1		
March	124		1		
April	124		1		
May	124		1		
June	124		1		
July	124		1		
August	124		1		
September	124		1		
October	124		1		
November	124		1		
December	124		1		

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?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

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

* an ERC is based on the calculation on the bottom of AR9 page 12.

WATER USE DATA SHEET

NAME OF COMPANY _____→	Kohls Ranch Water Co
ADEQ Public Water System No. _____→	04-089 and 04-013

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED	GALLONS PURCHASED
January	125	429,256	440,845	
February	125	326,011	337,095	
March	125	371,615	383,135	
April	125	782,972	808,810	
May	125	1,352,716	1,404,119	
June	125	1,372,749	1,411,185	
July	125	1,327,816	1,379,600	
August	125	1,695,436	1,749,689	
September	125	1,128,067	1,165,593	
October	125	973,928	1,001,942	
November	125	595,542	602,940	
December	125	361,785	369,744	
Totals	125	10,717,893	11,054,697	

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)

Other Water Sources in Gallons per Minute _____→	GPM
Fire Hydrants on System _____→	Yes No
Total Water Pumped Last 13 Months (Gallons in Thousands) _____→	

Kohl's Ranch Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/24

Utility Shutoffs / Disconnects		
Name of the System:	Kohl's Ranch Water Company (Well)	
ADEQ Public Water System Number:	41089 / 04-013	
ADWR PCC Number:	0	

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

Other (description):

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

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2024 was	\$2,934

If no property taxes paid, explain why.
<div></div>

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): Maricopa
Name (owner or official) title: Rodica Bartels
Company name: Kohl's Ranch Water Company

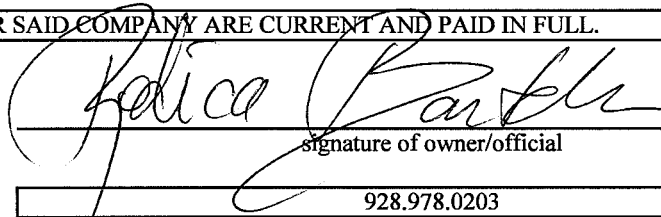
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/24

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.

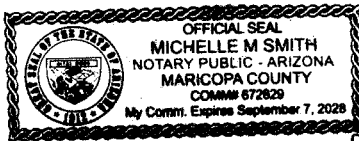
Certification: I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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


signature of owner/official

928.978.0203

telephone no.



Michelle M Smith