

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: 12/31/25

RECEIVED BY EMAIL

3/30/2026, 2:21 PM

**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: 3/30/2026

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

For the Calendar Year Ended: 12/31/25

Primary Address:

PO Box 206
City: Payson State: Arizona Zip Code: 85541

Telephone Number:

928.978.0203

Date of Original Organization of Utility:

1/1/1985

Person to whom correspondence should be addressed concerning this report:

Name:

Rodica Bartels

Telephone No. :

928.978.0203

Address:

PO Box 206
City: Payson State: Arizona Zip Code: 85541

Email:

Info@kohlsranchwater.com

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Name:

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Telephone No. :

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City: State: Zip Code:

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Name:

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Ownership:

"C" Corporation

Counties Served:

Gila

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

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.
	n/a

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.
	n/a

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
302	Franchises				0		0
303	Land and Land Rights				0		0
304	Structures and Improvements	23,066			23,066	23,066	0
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	3,775			3,775	3,775	0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	10,904			10,904	10,904	0
320	Water Treatment Equipment	2,160			2,160	2,160	0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	75,000			75,000	75,000	0
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	36,216			36,216	36,216	0
333	Services	4,027			4,027	4,027	0
334	Meters and Meter Installations	24,248			24,248	24,248	0
335	Hydrants	1,664			1,664	1,664	0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment	2,518			2,518	2,518	0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment	500			500	500	0
346	Communication Equipment				0		0
347	Miscellaneous Equipment	857			857	857	0
348	Other Tangible Plant				0		0
	Totals	\$184,935	\$0	\$0	\$184,935	\$184,935	\$0

Kohl's Ranch Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/25

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
302	Franchises	0	0	0	0		0		0
303	Land and Land Rights	0	0	0	0		0		0
304	Structures and Improvements	23,066	0	0	23,066		23,066		0
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	3,775	0	0	3,775		3,775		0
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	10,904	0	0	10,904		10,904		0
320	Water Treatment Equipment	2,160	0	0	2,160		2,160		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	75,000	0	0	75,000		75,000		0
330.2	Pressure Tanks	0	0	0	0		0		0
331	Transmission and Distribution Mains	36,216	0	0	36,216		36,216		0
333	Services	4,027	0	0	4,027		4,027		0
334	Meters and Meter Installations	24,248	0	0	24,248		24,248		0
335	Hydrants	1,664	0	0	1,664		1,664		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	2,518	0	0	2,518		2,518		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	500	0	0	500		500		0
346	Communication Equipment	0	0	0	0		0		0
347	Miscellaneous Equipment	857	0	0	857		857		0
348	Other Tangible Plant	0	0	0	0		0		0
	Subtotal	\$184,935	\$0	\$0	\$184,935		\$0		\$0

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$0</u>
Times: Proposed Amortization Rate	
Amortization of CIAC	

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Kohl's Ranch Water Company
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		\$4,290	(\$40,949)
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		7,445	7,882
	Total Current and Accrued Assets		\$11,735	(\$33,067)
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$184,935	\$184,935
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(182,828)	(184,935)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$2,107	\$0
	Total Assets		\$13,842	(\$33,067)

*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 (2025)	Balance at End of Year (2025)
Account No.	Current Liabilities			
231	Accounts Payable		\$4,294	\$3,383
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		19,301	12,333
	Total Current Liabilities		\$23,595	\$15,716
	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		\$23,595	\$15,716
	Capital Accounts			
201	Common Stock Issued		\$500,000	\$500,000
211	Other Paid-In Capital			
215	Retained Earnings		(509,753)	(548,783)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(\$9,753)	(\$48,783)
	Total Liabilities and Capital		\$13,842	(\$33,067)

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
12/31/25

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	\$154,779	\$183,016
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	750	1,275
474	Other Water Revenue	0	0
	Total Revenues	\$155,529	\$184,291
	Operating Expenses		
601	Salaries and Wages	\$36,779	\$40,221
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	7,979	12,139
618	Chemicals	3,398	1,928
620	Materials and Supplies	8,958	9,285
620.1	Repairs and Maintenance	9,102	5,517
620.2	Office Supplies and Expense	6,600	8,067
630	Contractual Services	19,300	16,863
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	25,419	6,321
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	15,000	38,100
635	Contractual Services - Water Testing	8,117	2,344
636	Contractual Services - Other	3,630	0
640	Rents	0	0
641	Rental of Building/Real Property	25,456	0
642	Rental of Equipment	209	0
650	Transportation Expenses	17,971	15,926
657	Insurance - General Liability	2,492	1,358
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	1,073	1,587
403	Depreciation Expense (From Schedule AR4)		2,298
408	Taxes Other Than Income	0	11,396
408.11	Property Taxes	6,178	5,868
409	Income Taxes	80	921
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$197,739	\$180,138
	Operating Income / (Loss)	(\$42,210)	\$4,153
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$42,210)	\$4,153

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)
12/31/25

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:	
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Meter Deposits Refunded During the Test Year:	
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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.

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-XXXXXX):	

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. <i>What is the purpose of the study?</i> 2. <i>What are the research questions or hypotheses?</i> 3. <i>What is the study design?</i> 4. <i>What is the sample size and how was it selected?</i> 5. <i>What are the variables being measured?</i> 6. <i>What are the data collection methods?</i> 7. <i>What are the results of the study?</i> 8. <i>What are the conclusions of the study?</i> 9. <i>What are the limitations of the study?</i> 10. <i>What are the implications of the study?</i>
--

- | | |
|---|---|
| 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

SERVICE LINES		
Material	Percent of system	Year installed

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
15	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 chlorination pump 1 chlorine tank
STRUCTURES:	pump building block 1280sqft water storage tank 38' x 24' 6'x6' chlorination building
OTHER:	

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
3	35	1

FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	
Other	

STORAGE TANKS

[illegible]

PRESSURE/BLADDER TANKS

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:	1 chlorination pump 1 chlorine tank 4 filter tanks and backwash
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STRUCTURES:	chlorination/filter building frame
--------------------	------------------------------------

OTHER:	
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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	347,036	367,142	
February	125	330,975	346,347	
March	125	424,636	444,950	
April	125	677,751	713,537	
May	125	790,698	819,034	
June	125	994,786	1,023,742	
July	125	975,424	927,201	
August	125	1,161,191	1,247,712	
September	125	1,018,153	1,051,388	
October	125	781,339	803,581	
November	125	421,372	431,311	
December	125	407,560	411,613	
Totals	125	8,330,921	8,587,558	

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) _____	

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	0	1	0	0
February	124	0	1	0	0
March	124	0	1	0	0
April	124	0	1	0	0
May	124	0	1	0	0
June	124	0	1	0	0
July	124	0	1	0	0
August	124	0	1	0	0
September	124	0	1	0	0
October	124	0	1	0	0
November	124	0	1	0	0
December	124	0	1	0	0

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.

Kohl's Ranch Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/25

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 2025 was	\$6,178

If no property taxes paid, explain why.
n/a

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:

12/31/25

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.



Rodica Bartels
signature of owner/official

928.978.0203

telephone no.

Angela Hurd Spratlin 3/30/2026