

**ANNUAL REPORT**

Of

Company Name:

c/o HOAMCO

Mailing Address:

PO Box 10000

Prescott AZ

86304

Docket No.:

For the Year Ended:

**RECEIVED BY EMAIL**

**05/13/2024, 10:25 AM**

**ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION**

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [Util-Compliance@azcc.gov](mailto: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:

Application Date:

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

For the Calendar Year Ended: 12/31/23

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:

**Important changes during the year**

N/A	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	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	17,432	14,396
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	50,266	44,289
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	84,395	123,539	0	207,934	20,793	187,141
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	18,535	18,403
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	422,503	6,213	0	428,716	173,379	255,336
333	Services	63,840	0	0	63,840	39,903	23,937
334	Meters and Meter Installations	25,062	1,078	0	26,140	21,060	5,081
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	40,133	0	0	40,133	40,133	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
	<b>Totals</b>	<b>\$965,507</b>	<b>\$130,830</b>	<b>\$0</b>	<b>\$1,096,337</b>	<b>\$479,612</b>	<b>\$616,725</b>

White Horse Ranch Owners Association, Inc.  
 Annual Report  
 Depreciation Expense for the Current Year (Water)  
 12/31/23

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	17,432	14,396	0.00%	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	50,266	44,289	0.00%	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	0.00%	5,968
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	84,395	123,539	0	207,934	20,793	187,141	0.00%	12,354
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	18,535	18,403	0.00%	820
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	422,503	6,213	0	428,716	173,379	255,336	0.00%	8,277
333	Services	63,840	0	0	63,840	39,903	23,937	0.00%	2,126
334	Meters and Meter Installations	25,062	1,078	0	26,140	21,060	5,081	0.00%	1,808
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	40,133	0	0	40,133	40,133	0	0.00%	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
	<b>Subtotal</b>	<b>\$965,507</b>	<b>\$130,830</b>	<b>\$0</b>	<b>\$1,096,337</b>	<b>\$479,612</b>	<b>\$616,725</b>		<b>\$35,561</b>

Contribution(s) in Aid of Construction (Gross) \$684,427  
 Less: Non Amortizable Contribution(s) (68,142)  
 Fully Amortized Contribution(s) 410,941  
 Amortizable Contribution(s) \$341,627  
 Times: Proposed Amortization Rate 6.81%  
**Amortization of CIAC \$23,265**

Less: Amortization of CIAC \$23,265

**DEPRECIATION EXPENSE \$12,296**

White Horse Ranch Owners Association, Inc.  
Annual Report  
Balance Sheet Assets  
12/31/23

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		<b>Balance at Beginning of Year (2023)</b>	<b>Balance at End of Year (2023)</b>
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$412,530	\$309,906
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		26,729	52,338
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,551	0
174	Miscellaneous Current and Accrued Assets		0	1,635
	<b>Total Current and Accrued Assets</b>		<b>\$440,810</b>	<b>\$363,878</b>
<b>Account No.</b>	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$965,507	\$1,096,337
103	Property Held for Future Use		0	0
105	Construction Work in Progress		4,327	4,327
108	Accumulated Depreciation (enter as negative)*		(442,951)	(479,612)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$526,883</b>	<b>\$621,052</b>
	<b>Total Assets</b>		<b>\$967,693</b>	<b>\$984,930</b>

\*Note these items feed automatically from AR3 UPIS Page 4

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

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		<b>Balance at Beginning of Year (2023)</b>	<b>Balance at End of Year (2023)</b>
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$1,764	\$6,546
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		1,424	668
236	Accrued Taxes		854	4,069
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		1,630	10,396
	<b>Total Current Liabilities</b>		<b>\$5,672</b>	<b>\$21,679</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$397,980	\$413,146
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		16,209	17,709
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		680,405	684,427
272	Less: Amortization of Contributions		(387,677)	(410,941)
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$308,937</b>	<b>\$291,195</b>
	<b>Total Liabilities</b>		<b>\$712,589</b>	<b>\$726,020</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		255,104	258,910
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$255,104</b>	<b>\$258,910</b>
	<b>Total Liabilities and Capital</b>		<b>\$967,693</b>	<b>\$984,930</b>

**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  
12/31/23

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$38,775	\$38,541
460	Unmetered Water Revenue	67,870	63,469
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	560	7,859
471	Miscellaneous Service Revenues	90,969	81,619
474	Other Water Revenue	6	806
	<b>Total Revenues</b>	<b>\$198,180</b>	<b>\$192,294</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	99,041	79,487
615	Purchased Power	5,896	5,092
618	Chemicals	551	623
620	Materials and Supplies	2,237	1,829
620.1	Repairs and Maintenance	4,070	200
620.2	Office Supplies and Expense	3,224	1,740
630	Contractual Services	13,640	13,920
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	1,280
634	Contractual Services - Management Fees	19,550	18,750
635	Contractual Services - Water Testing	2,769	5,861
636	Contractual Services - Other	0	661
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	1,317	1,292
657	Insurance - General Liability	2,701	2,396
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	261	552
675	Miscellaneous Expense	463	580
403	Depreciation Expense (From Schedule AR4)	12,296	15,744
408	Taxes Other Than Income	0	0
408.11	Property Taxes	4,024	6,052
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$172,039</b>	<b>\$156,059</b>
	<b>Operating Income / (Loss)</b>	<b>\$26,141</b>	<b>\$36,235</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$911	\$604
421	Non-Utility Income	192	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	<b>Total Other Income / (Expense)</b>	<b>\$1,103</b>	<b>\$604</b>
	<b>Net Income / (Loss)</b>	<b>\$27,244</b>	<b>\$36,839</b>



White Horse Ranch Owners Association, Inc.  
 Annual Report  
 Full time equivalent employees  
 12/31/23

**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
<b>Total</b>	0.0	0.0	0.0	0.0

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	4/18/2022	n/a	n/a	n/a
Source of Loan	Arizona Communi	n/a	n/a	n/a
ACC Decision No.	W-04161A-19-028	n/a	n/a	n/a
Reason for Loan	Bridge Loan for Fi	n/a	n/a	n/a
Dollar Amt. Issued	\$402,000	n/a	n/a	n/a
Amount Outstanding	\$402,000	n/a	n/a	n/a
Date of Maturity	6/22/2023	n/a	n/a	n/a
Interest Rate	4.00%	n/a	n/a	n/a
Current Year Interest	\$16,080	n/a	n/a	n/a
Current Year Principal	\$0	n/a	n/a	n/a

Meter Deposit Balance at Test Year End:	\$0
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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.**





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

<b>TREATMENT EQUIPMENT:</b>	2 each, sodium hypochlorite metering pumps with related equipment
<b>STRUCTURES:</b>	4 each, pumphouses; 1 storage shed; 1 storage tank
<b>OTHER:</b>	n/a

**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
- (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:	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	162	0	0	0	0
February	163	0	0	0	0
March	164	0	0	0	0
April	164	0	0	0	0
May	164	0	0	0	0
June	164	0	0	0	0
July	164	0	0	0	0
August	164	0	0	0	0
September	164	0	0	0	0
October	163	0	0	0	0
November	163	0	0	0	0
December	163	0	0	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 (GCPCPD) requirement?   
 If yes, provide the GCPCPD 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.

n/a

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

White Horse Ranch Owners Association, Inc.  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/23

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	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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

Other (description):

0	
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**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.

White Horse Ranch Owners Association, Inc.  
Annual Report  
Property Taxes  
12/31/23

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2023 was	\$4,024

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): Yavapai  
Name (owner or official) title: n/a  
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.

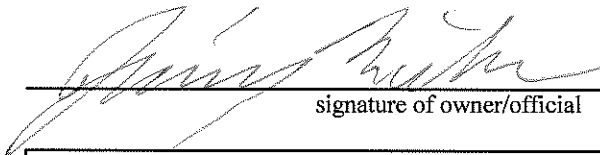
FOR THE YEAR ENDING: 12/31/23

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.

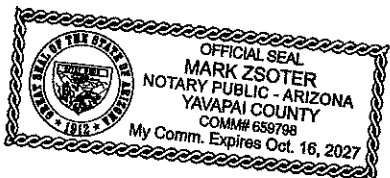
**Certification:**

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

928-776-4479  
telephone no.



Subscribed and Sworn to Before me a  
Notary Public in and for the County of  
Yavapai

This 12<sup>th</sup> day of May 2024

My Commission Expires 10-16-2027

