

ANNUAL REPORT

Of

Company Name: Rainbow Parks, Inc. DBA Escapees at North Ranch
7581 E. Academy Blvd., Ste. 229

Mailing Address: Denver CO
80230

Docket No.: WS-03448A
For the Year Ended: 12/31/17

RECEIVED
APR 13 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WASTEWATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@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:

4-17-18

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Rainbow Parks, Inc. DBA Escapees at North Ranch
A Class Utility

1. For the Calendar Year Ended: 12/31/17

2. Address:

7581 E. Academy Blvd; Suite 229			
City:	Denver	State:	Colorado
Zip Code:	80230		

3. Telephone Number: 720.949.1384

4. Date of Original Organization of Utility: 4/5/1994

5. Person to whom correspondence should be addressed concerning this report:

Name: Jason Williamson
Telephone No. : 720.949.1384
Address: 7581 E Academy Blvd; Suite 229
City: Denver State: Colorado Zip Code: 80230
Email: jw@pivotalcompanies.com

6. On-Site Manager:

Name: Pat Carpenter, a Quality Water
Telephone No. : 928.606.0498
Address: PO Box 264
City: Williams State: Arizona Zip Code: 86046
Email: [REDACTED]

7. Ownership: "C" Corporation

8. Counties Served: Yavapai

Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization				50		50
352	Franchises				0		0
353	Land and Land Rights	16,000	0		16,000		16,000
354	Structures and Improvements	21,880	0		21,880	3,782	18,098
355	Power Generation Equipment	9,304	0		9,304	9,304	0
360	Collections Wastewater - Force				0		0
361	Collections Wastewater - Gravity	118,747	0		118,747	118,747	(0)
362	Special Collecting Structures				0		0
363	Services to Customers				0		0
364	Flow Measuring Devices				0		0
365	Flow Measuring Installations				0		0
366	Reuse Services				0		0
367	Reuse Meters & Meter Installations				0		0
370	Receiving Wells	14,706	0		14,706	14,706	0
371	Pumping Equipment				0		0
374	Reuse Distribution Reservoirs				0		0
375	Reuse Trans. And Distr. Equipment				0		0
380	Treatment and Disposal Equipment	236,249	0		236,249	235,742	507
381	Plant Sewers				0		0
382	Outfall Sewer Lines				0		0
389	Other Plant and Misc. Equipment	4,295	0		4,295	4,295	(0)
390	Office Furniture and Equipment	4,981	0		4,981	4,981	0
390 i	Computer & Software				0		0
391	Transportation Equipment				0		0
392	Stores Equipment				0		0
393	Tools, Shop and Garage Equipment				0		0
394	Laboratory Equipment				0		0
395	Power Operated Equipment				0		0
396	Communication Equipment				0		0
397	Miscellaneous Equipment				0		0
398	Other Tangible Plant				0		0
	Totals	\$426,162	\$0	\$0	\$426,162	\$391,557	\$34,605

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.

Rainbow Parks, Inc. DBA Escapees at North Ranch
 Annual Report
 Depreciation Expense for the Current Year (Wastewater)
 12/31/17

Depreciation Expense for the Current Year (Wastewater)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$0	\$0	\$0	\$0			\$0
352	Franchises	0	0	0	0			0
353	Land and Land Rights	16,000	0	0	16,000			0
354	Structures and Improvements	21,880	0	0	21,880		2.64%	578
355	Power Generation Equipment	9,304	0	0	9,304	9,304		0
360	Collections Wastewater - Force	0	0	0	0			0
361	Collections Wastewater - Gravity	118,747	0	0	118,747	118,747		0
362	Special Collecting Structures	0	0	0	0			0
363	Services to Customers	0	0	0	0			0
364	Flow Measuring Devices	0	0	0	0			0
365	Flow Measuring Installations	0	0	0	0			0
366	Reuse Services	0	0	0	0			0
367	Reuse Meters & Meter Installations	0	0	0	0			0
370	Receiving Wells	14,706	0	0	14,706		0.02%	3
371	Pumping Equipment	0	0	0	0			0
374	Reuse Distribution Reservoirs	0	0	0	0			0
375	Reuse Trans. And Distr. Equipment	0	0	0	0			0
380	Treatment and Disposal Equipment	236,249	0	0	236,249		0.18%	420
381	Plant Sewers	0	0	0	0			0
382	Oucfall Sewer Lines	0	0	0	0			0
389	Other Plant and Misc. Equipment	4,295	0	0	4,295	4,295		0
390	Office Furniture and Equipment	4,981	0	0	4,981	4,981		0
390.i	Computer & Software	0	0	0	0			0
391	Transportation Equipment	0	0	0	0			0
392	Stores Equipment	0	0	0	0			0
393	Tools, Shop and Garage Equipment	0	0	0	0			0
394	Laboratory Equipment	0	0	0	0			0
395	Power Operated Equipment	0	0	0	0			0
396	Communication Equipment	0	0	0	0			0
397	Miscellaneous Equipment	0	0	0	0			0
398	Other Tangible Plant	0	0	0	0			0
	Subtotal	\$426,162	\$0	\$0	\$426,162	\$137,327		\$1,001

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
 0.35%
\$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

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.

Rainbow Parks, Inc. DBA Escapees at North Ranch
 Annual Report
 Balance Sheet Assets
 12/31/17

Balance Sheet Assets			
	Assets	Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current and Accrued Assets		
131	Cash	\$5,561	\$1,708
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	6,936	7,257
142	Other Accounts Receivable		
143	Accumulated Provision for Uncollectable Accounts		
146	Notes Receivable from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
173	Accrued Utility Revenue		
174	Miscellaneous Current and Accrued Assets	27	27
	Total Current and Accrued Assets	\$12,524	\$8,992
	Deferred Debits		
186.1	Deferred Rate Case Expense		
	Total Deferred Debits	\$0	\$0
	Fixed Assets		
101	Utility Plant in Service*	\$427,506	\$426,162
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation (enter as negative)*	(369,465)	(391,557)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	Total Fixed Assets	\$58,041	\$34,605
	Total Assets	\$70,565	\$43,597

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.

Note these items feed automatically from the adjusted end of year balance from AR4.

Rainbow Parks, Inc. DBA Escapees at North Ranch
 Annual Report
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current Liabilities			
231	Accounts Payable		\$2,445	\$2,846
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies		7,353	7,354
235	Customer Deposits			
236	Accrued Taxes			
237	Accrued Interest			
241	Miscellaneous Current and Accrued Liabilities			
253	Other Deferred Credits			
	Total Current Liabilities		\$9,798	\$10,200
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
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		\$9,798	\$10,200
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		60,767	33,397
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$60,767	\$33,397
	Total Liabilities and Capital		\$70,565	\$43,597

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.

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

Rainbow Parks, Inc. DBA Escapces at North Ranch
Annual Report
Wastewater Comparative Income Statement
12/31/17

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	Operating Revenue		
521	Flat Rate Revenues	\$59,318	\$59,793
522	Measured Revenues	7,300	13,493
534	Rents from Wastewater Property		475
536	Other Wastewater Revenues	550	
	Total Revenues	\$67,168	\$73,761
	Operating Expenses		
701	Salaries and Wages		
704	Employee Pensions and Benefits		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	3,500	0
715	Purchased Power	14,118	15,018
716	Fuel for Power Production		
718	Chemicals	4,842	6,184
720	Materials and Supplies		
720.1	Repairs and Maintenance		
720.2	Office Supplies and Expense		
721	Office Expense		
731	Contractual Services -Engineering		
732	Contractual Services - Accounting		
733	Contractual Services - Legal	0	43
734	Contractual Services - Management Fees	50,362	42,101
735	Contractual Services - Testing	1,980	2,895
736	Contractual Services - Other		4,349
740	Rents - Building		
742	Rents - Equipment		
750	Transportation Expenses		68
757	Insurance - General Liability		
758	Insurance - Worker's Compensation		
759	Insurance - Other		
760	Advertising Expense		
766	Regulatory Commission Expense - Rate Case		
767	Regulatory Commission Expense - Other	788	4,821
770	Bad Debt Expense		
775	Miscellaneous Expense	4,406	5,668
403	Depreciation Expense (From Schedule AR4)	1,001	0
408	Taxes Other Than Income		
408.11	Property Taxes	3,332	7,067
408.12	Payroll Taxes		
409	Income Taxes		
	Total Operating Expenses	\$84,329	\$88,214
	Operating Income / (Loss)	(\$17,161)	(\$14,453)
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions		
419	Interest and Dividend Income		
421	Non-Utility Income	1,749	224
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$1,749	\$224
	Net Income / (Loss)	(\$15,412)	(\$14,229)

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.

Rainbow Parks, Inc. DBA Escapees at North Ranch
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/17

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 Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:

Meter Deposits Refunded During the Test Year:

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.

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4	PVC	18,643	4	PVC	436
6			6		
8	PVC	290	8		
12					
15					
18					
21					
24					
30					

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

SOLIDS PROCESSING AND HANDLING FACILITIES	
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Chlorination(tablet)
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	
STRUCTURES (Buildings, Fences, Etc.)	Methanol storage and control building, Blower pump building, fence surrounding chain link treatment/disposal area
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Standby power generator

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

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. Copy and paste this sheet as many times as is necessary.

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day	Purchased Power Expense ¹	Purchased Power (kWh) ²
January	420	609,981	22,148	\$0	\$0
February	421	588,860	25,068	\$0	\$0
March	417	674,549	24,209	\$0	\$0
April	414	549,924	28,680	\$0	\$0
May	420	406,766	15,392	\$0	\$0
June	411	399,179	15,636	\$0	\$0
July	421	369,915	16,470	\$0	\$0
August	417	378,964	12,225	\$0	\$0
September	416	337,566	11,867	\$0	\$0
October	415	479,757	18,719	\$0	\$0
November	418	593,668	22,412	\$0	\$0
December	418	649,241	23,665	\$0	\$0
Totals		6,038,370	236,491	\$0	0

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Other
Groundwater Permit Number	G000113
ADEQ Aquifer Protection Permit ("APP") Number	P101870
ADEQ Reuse Permit Number	
EPA NPDES Permil Number	
APP Effluent Treatment Requirement (Class)?	

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

- 1 Enter the total purchased power costs for the power meters associated with this system.
- 2 Enter the total purchased kWh used by the power meters associated with this system.

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.

Rainbow Parks, Inc. DBA Escapees at North Ranch
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

Name of System:	Escapees at North Ranch
Wastewater Inventory Number (if applicable):	0

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
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.

Rainbow Parks, Inc. DBA Escapees at North Ranch
Annual Report
Property Taxes
12/31/17

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2017 was	\$3,332

If no property taxes paid, explain why.

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.

Rainbow Parks, Inc. DBA Escapees at North Ranch
Annual Report
Verification and Sworn Statement (Taxes)
12/31/17

Verification and Sworn Statement (Taxes)

RECEIVED

APR 13 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

County of (county name):

Denver

Name (owner or official) title:

Jason Williamson, Manager

Company name:

Rainbow Parks, Inc. DBA Escapees at North Ranch

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

FOR THE YEAR ENDING: 12/31/17

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

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

[Handwritten Signature]

signature of owner/official

720.949.1384

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Denver

THIS

12th

DAY OF

April 2018

(month) and (year)

MY COMMISSION EXPIRES

03/08/21

(date)

ERIC ANDREW JONES
Notary Public - State of Colorado
Notary ID 20174010338
My Commission Expires Mar 8, 2021

[Handwritten Signature]

(signature of notary public)

Verification and Sworn Statement

Verification:

State of Colorado I, the undersigned of the
(state name)
County of (county name): 0 Denver
Name (owner or official) title: Jason Williamson, Manager
Company name: Rainbow Parks, Inc. DBA Escapees at North Ranch

RECEIVED
APR 13 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/17

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, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$67,168
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

[Signature]
signature of owner/official

720.949.1384
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 12th DAY OF Denver
April 2018
(county name)
(month) and (year)

MY COMMISSION EXPIRES

03/08/21
(date)

ERIC ANDREW JONES
Notary Public - State of Colorado
Notary ID 20174010338
My Commission Expires Mar 8, 2021

[Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of Colorado I, the undersigned of the
(state name)

County of (county name):
Name (owner or official) title:
Company name:

0 Denver
Jason Williamson, Manager
Rainbow Parks, Inc. DBA Escapees at North Ranch

RECEIVED
APR 13 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/17

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.

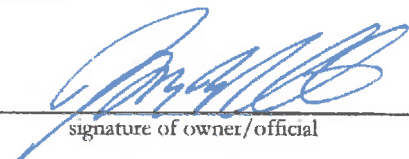
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$67,168

(The amount in the box above includes

\$0 in sales taxes
billed or collected)



signature of owner/official

720.949.1384

telephone no.

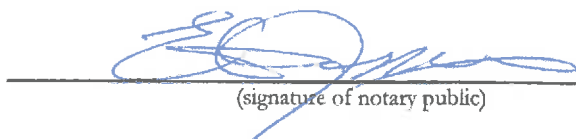
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Denver
(county name)

THIS 12th DAY OF April 2018
(month) and (year)

MY COMMISSION EXPIRES 03/08/21
(date)

ERIC ANDREW JONES
Notary Public - State of Colorado
Notary ID 20174010338
My Commission Expires Mar 8, 2021


(signature of notary public)