

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

WATER 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: 4/12/2018

4-17-18

ARIZONA CORPORATION COMMISSION
WATER 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:

--

7. Ownership:

"C" Corporation

8. Counties Served:

Yavapai

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				50		50
302	Franchises				0		0
303	Land and Land Rights	12,000	0		12,000		12,000
304	Structures and Improvements				0		0
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	10,000	0		10,000	10,000	0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	40,517	0		40,517	39,650	867
320	Water Treatment Equipment	2,265	0		2,265	2,250	15
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	74,268	0		74,268	74,268	0
330.1	Storage Tanks				0		0
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains	131,387			131,387	131,387	0
333	Services				0		0
334	Meters and Meter Installations	24,292	418		24,710	20,960	3,750
335	Hydrants	3,900	0		3,900	3,900	0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment	4,982	0		4,982	4,982	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				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant				0		0
	Totals	\$303,611	\$418	\$0	\$304,029	\$287,397	\$16,631

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 Escapes at North Ranch
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/17

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0			\$0
302	Franchises	0	0	0	0			0
303	Land and Land Rights	12,000	0	0	12,000			0
304	Structures and Improvements	0	0	0	0			0
305	Collecting & Improving Reservoirs	0	0	0	0			0
306	Lake, River, Canal Intakes	0	0	0	0			0
307	Wells and Springs	10,000	0	0	10,000			0
308	Infiltration Galleries	0	0	0	0			0
309	Supply Mains	0	0	0	0			0
310	Power Generation Equipment	0	0	0	0			0
311	Pumping Equipment	40,517	0	0	40,517		4.04%	1,635
320	Water Treatment Equipment	2,265	0	0	2,265			0
320.1	Water Treatment Plants	0	0	0	0			0
320.2	Solution Chemical Feeders	0	0	0	0			0
320.3	Point-of-Use Treatment Devices	0	0	0	0			0
330	Distribution Reservoirs and Standpipes	74,268	0	0	74,268		0.01%	4
330.1	Storage Tanks	0	0	0	0			0
330.2	Pressure Tanks	0	0	0	0			0
331	Transmission and Distribution Mains	131,387	0	0	131,387		0.00%	3
333	Services	0	0	0	0			0
334	Meters and Meter Installations	24,292	418	0	24,710		1.71%	419
335	Hydrants	3,900	0	0	3,900			0
336	Backflow Prevention Devices	0	0	0	0			0
339	Other Plant and Misc. Equipment	0	0	0	0			0
340	Office Furniture and Equipment	4,982	0	0	4,982			0
340.1	Computer & Software	0	0	0	0			0
341	Transportation Equipment	0	0	0	0			0
342	Stores Equipment	0	0	0	0			0
343	Tools, Shop and Garage Equipment	0	0	0	0			0
344	Laboratory Equipment	0	0	0	0			0
345	Power Operated Equipment	0	0	0	0			0
346	Communication Equipment	0	0	0	0			0
347	Miscellaneous Equipment	0	0	0	0			0
348	Other Tangible Plant	0	0	0	0			0
	Subtotal	\$303,611	\$418	\$0	\$304,029	\$0		\$2,061

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
 0.68%
 \$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE **\$2,061**

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
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		6,936	7,257
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		27	27
	Total Current and Accrued Assets		\$12,524	\$8,992
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$305,383	\$304,029
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(258,599)	(287,397)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$46,784	\$16,631
	Total Assets		\$59,308	\$25,623

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 AR3 UPIS Page 3

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		755	775
236	Accrued Taxes		3,266	1,419
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$13,819	\$12,394
	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		\$13,819	\$12,394
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		45,489	13,229
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$45,489	\$13,229
	Total Liabilities and Capital		\$59,308	\$25,623

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 Escapees at North Ranch
Annual Report
Water Comparative Income Statement
12/31/17

Water 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		
461	Metered Water Revenue	\$59,480	\$32,550
460	Unmetered Water Revenue	27,218	59,862
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues	375	
474	Other Water Revenue		475
	Total Revenues	\$87,073	\$92,887
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	16,384	18,468
618	Chemicals	1,387	208
620	Materials and Supplies	3,161	95
620.1	Repairs and Maintenance		1,952
620.2	Office Supplies and Expense	470	
630	Contractual Services		
631	Contractual Services -Engineering		
632	Contractual Services - Accounting		
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	44,752	42,101
635	Contractual Services - Water Testing	2,077	(629)
636	Contractual Services - Other		3,825
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	1,757	936
657	Insurance - General Liability	3,173	3,257
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	2,841	1,757
403	Depreciation Expense (From Schedule AR4)	2,061	
408	Taxes Other Than Income		
408.11	Property Taxes	4,032	
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$82,094	\$71,970
	Operating Income / (Loss)	\$4,979	\$20,917
	Other Income / (Expense)		
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)	\$6,728	\$21,141

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.

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.

Water Utility Plant Description	
Name of the System:	Escapees at North Ranch
AIDEO Public Water System Number:	AZ0413148

WELLS								
ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-506823	30	150	10	10			1984	.0022mg/l

OTHER WATER SOURCES		
Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		
Horsepower	GPM	Quantity
15		2

FIRE HYDRANTS	
Type	Quantity
Standard ***	
Other	

STORAGE TANKS		
Capacity	Material	Quantity
10,000	Steel	1
60,000	Steel	1

PRESSURE/BLADDER TANKS	
Capacity	Quantity

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.

* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

** Pump motor type, turbine or submersible.

*** 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)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
2.00			5/8 X 3/4	436
3.00			0.75	
4.00	PVC	18,643	1	
5.00			1.5	
6.00	PVC	290	Compound 2	
8.00			Turbine 2	
10.00			Compound 3	
12.00			Turbine 3	
			Compound 4	
			Turbine 5	
			Compound 6	
			Turbine 6	

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

TREATMENT EQUIPMENT:	Liquid Chlorination
STRUCTURES:	
OTHER:	

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.

Water Use Data Sheet							
Name of the System:		Escapees at North Ranch					
ADEQ Public Water System Number:		AZ0413148					
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴	Purchased Power Expense ⁵	Purchased Power (kWh) ⁶
January	420	1,706	1,706	0	0	0	0
February	421	1,607	1,607	0	0	0	0
March	417	1,357	1,357	0	0	0	0
April	414	1,176	1,176	0	0	0	0
May	420	1,183	1,183	0	0	0	0
June	411	1,216	1,216	0	0	0	0
July	421	1,193	1,193	0	0	0	0
August	417	1,563	1,563	0	0	0	0
September	416	1,815	1,815	0	0	0	0
October	415	2,279	2,279	0	0	0	0
November	418	2,459	2,459	0	0	0	0
December	418	2,409	2,409	0	0	0	0
Totals		19,963	19,963	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? Yes

Is the Water Utility located in an ADWR Active Management Area (AMA)? No
 If yes, which AMA?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement? No
 If yes, provide the GPCPD amount:

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

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.

- 1 Gallons sold - Total gallons from customer meters, and other sold gallons such as Construction water.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.
- 5 Enter the total purchased power costs for the power meters associated with this system.
- 6 Enter the total purchased kWh used by the power meters associated with this system.

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

ADEQ System No. :	AZ0413148
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Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.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	
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Amount of actual property taxes paid during Calendar Year 2017 was	\$4,032
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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.

[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
(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

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): 0 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: 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 (\$)
\$87,073
(The amount in the box above includes
\$5,495 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
(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):

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 RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:


Arizona Intrastate Gross Operating Revenues Only (\$)

\$87,073

(The amount in the box above includes

\$5,495

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)