

Rec'd
8-20-12
MS

Gila County Board of Supervisors
1400 E. Ash Street
Globe, Arizona 85501

Attention: Marian Sheppard
Chief Deputy Clerk

In the Matter of Renewal Application
Of
COLLINS RANCH WATER USERS' ASSOCIATION, Inc.

Collins Ranch Water Users' Association, Inc. (CRWUA) submits and requests a fifteen (15) year Franchise extension and for renewal of Water Franchise License dated November 30, 1987, Docket 721, page 265.

1. Name, address and telephone number of the applicant:
Collins Ranch Water Users' Association, Inc.
494 S. Zane Meadows Road
Payson, AZ 85541-7452

Contact person: Dennis N. Greeley, President
480-861-0882
2173 W. Enfield Way
Chandler, AZ 85286-6760

Applicant is an Arizona Corporation:
Attached is a copy of four (4) page 2012 CRWUA current Arizona Corporation Commission Filing. Exhibit A-1 and A-2.

2. Statement of ownership and any agreements between applicant and any proposed owners:
Ownership of Collins Ranch Water Users' Association is held, in its entirety, by owners of private property in Collins Ranch who have joined the Association:
There are no person or persons who propose to have an ownership interest other than property owners in Collins Ranch.
3. Financial Statements showing ability to operate the business prepared by an accountant are attached.
Exhibit B-1 CRWUA Profit & Loss statement for corporate year 2011;
Exhibit B-2 CRWUA Balance Sheet as of end of corporate year 12-31-11;
Exhibit B-3 CRWUA Profit & Loss Previous Year Comparison.

The accountant's contact information is:

John Griffin, C.P.A
Professional Tax & Accounting Services
2300 S. Rural Road
Tempe, AZ 85282 Phone number: 480-967-8837

4. A Map and legal description indication the proposed service area:
The service area is known as Collins Ranch, Payson, AZ is unincorporated area of Gila County. The Franchised Service Area is approximately 126.3 acres in size.

Legal Description: The Collin's Ranch Water Users Association, Inc.'s Franchised Service Area is located in the SW 1/4, SW 1/4, of Section 29, and N 1/2, NW 1/4, Section 32, T. 11 1/2 N, R. 11 1/2 E, G and S.R.B. and M., Gila County, Arizona.

Enclosed are:

Exhibit C-1 Map depicting the location of the CRWUA's Franchised Service Area in relationship to Payson, AZ.

Exhibit C-2 Map depicting location of CRWUA's Franchised Service Area in detail to surrounding location.

Exhibit D Depicts the "as-built" construction details of the system including the distribution pipelines.

Exhibit E Depicts the Well Site and two well locations.

Exhibit F Depicts the water storage building, water storage tanks, pressure tank, booster pumps and chlorinator.

Legal Right to Use Wells:

CRWUA Warranty Deed to the well site property.

Gila County Well Registrations # 55-531605 and #55-532462.

History of CRWUA. Exhibit G.

5. Proposed Line Extension Policy:
There is no proposed line extensions planned.
6. Proposed Construction Time Schedule:
There is no proposed construction time schedule as this is not a new application.
7. Description of the type and capacity of the business:

Collins Ranch Water Users' Association, Inc. supplies domestic and residential water to its thirty-six (36) member homes by use of two wells. Currently, CRWUA is supplying approximately 750,000 gallons per year for an average of 20,833 per member household.

The water facility consists of a metal, insulated building containing six (6) holding tanks, water chlorinator, three (3) boost pumps, a hydropneumatic tank and a back-up generator system. (See Exhibit F.) CRWUA is in compliance with Arizona Department of Environmental Quality,

8. Previous experience of the applicant in providing service:
This is a franchise renewal application. Collins Ranch Water Users Association, Inc. has been in operation since well permits were issued in October 2, 1985 and CRWUA, Inc. was incorporated as a non-profit Arizona Corporation on June 29, 1987.
9. Any other details, statements, information or references required or requested by the Board of Supervisors:
There are no other required or requested information.
10. Non-refundable application fee of Three Hundred Fifty Dollars (\$350) is attached:
Collins Ranch Water Users Assoc. check #1687 dated August 16, 2012.



E-FILED

**STATE OF ARIZONA
CORPORATION COMMISSION
CORPORATION ANNUAL REPORT
& CERTIFICATE OF DISCLOSURE**

03787845

DUE ON OR BEFORE 05/29/2012

FILING FEE \$10

PLEASE READ ALL INSTRUCTIONS. The following information is required by A.R.S. §§10-1522 & 10-11522 for all corporations organized pursuant to Arizona Revised Statutes, Title 10. The Commission's authority to prescribe this form is A.R.S. 121(A) & 10-3121(A). YOUR REPORT MUST BE SUBMITTED ON THIS ORIGINAL FORM. Make changes or corrections necessary. Information for the report should reflect the current status of the corporation.

-0196842-0

- 1. COLLINS RANCH WATER USERS ASSOCIATION
494 S ZANE MEADOWS RD
PAYSON, AZ 85541**

Business Phone: 4809174710

(Business phone is optional.)

State of Domicile: ARIZONA

Type of Corporation: NON-PROFIT

- 2. Statutory Agent: FREDRICK WASHINGTON
Mailing Address: 349 N BROOK LN
City, State, Zip: PAYSON, AZ 85541**

**Statutory Agent's Street or Physical Address:
Physical Address: 349 N BROOK LN
City, State, Zip: PAYSON, AZ 85541**

ACC USE ONLY	
Fee	\$ <u>10.00</u>
Penalty	\$ <u>0.00</u>
Reinstates	\$ <u>0.00</u>
Expedite	\$ _____
Resubmit	\$ _____

<p><i>If appointing a new statutory agent, the new agent MUST consent to that appointment by signing below. Note that the agent address must be in Arizona, (Individual) or Wis. (corporation or limited liability company) having been designated the new Statutory Agent, do hereby consent to this appointment until my removal or resignation pursuant to law.</i></p> <p>_____</p> <p>Signature of new Statutory Agent</p> <p>_____</p> <p>Printed Name of new Statutory Agent</p>

- 3. Secondary Address:**

(Foreign Corporations are **REQUIRED** to complete this section).

- 4. CHARACTER OF BUSINESS**

Received: 03/04/2012 10:23

-0196842-0 COLLINS RANCH WATER USERS ASSOCIATION

5. CAPITALIZATION: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest in estate.

5a. Please examine the corporation's original Articles of Incorporation for the amount of shares authorized.

Number of Shares/Certificates Authorized	Class	Series Within Class (if:
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5b. Review all corporation amendments to determine if the original number of shares has changed. Examine 1 minutes for the number of shares issued.

Number of Shares/Certificates Issued	Class	Series Within Class (if:
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6. SHAREHOLDERS: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than 1 interest in the corporation.

NONE

7. OFFICERS

Name: DENNIS GREELEY
 Title: PRESIDENT
 Address: 2173 W. ENFIELD WAY
 CHANDLER, AZ 852866760
 Date Taking Office: 10/01/2007

Name: MARK WILLIAMS
 Title: SECRETARY
 Address: 1107 E. CALLE MONTE 1
 TEMPE, AZ 85284
 Date Taking Office: 10/21/2001

Name: RICK WASHBURN
 Title: TREASURER
 Address: 349 N BROOK LANE
 PAYSON, AZ 85541
 Date Taking Office: 04/18/2009

Name:
 Title:
 Address:
 Date Taking Office:

8. DIRECTORS

Name: GAIL HODGE
 Address: 1046 OLD PINE TRAIL
 PAYSON, AZ 85541
 Date Taking Office: 10/15/2010

Name: VICKI BREUNIG
 Address: 13611 N 59TH PL
 SCOTTSDALE, AZ 85251
 Date Taking Office: 10/15/2010

Name: JEFFREY WILMS
 Address: 12475 N 93RD ST
 SCOTTSDALE, AZ 85260

Name: ROGER PARKS
 Address: 550 W. BASELINE RD. 1
 MESA, AZ 85210

-0196842-0 COLLINS RANCH WATER USERS ASSOCIATION

9. FINANCIAL DISCLOSURE (A.R.S. §10-11622(A)(9))

Nonprofits – if your annual report is due on or before September 25, 2008, you must attach a financial statement (e.g. income/balance sheet including assets, liabilities). If your nonprofit annual report is due after September 25, 2008, a financial statement is not required. Cooperative marketing associations must in all cases submit a financial statement. All other forms of corporations are required to submit a financial statement no matter what date the annual report was due.

ONLY NONPROFIT CORPORATIONS MUST ANSWER THIS QUESTION:

9A. MEMBERS (A.R.S. §10-11622(A)(6))

This corporation **DOES** DOES NOT **have**

10. CERTIFICATE OF DISCLOSURE (A.R.S. §§ 10-202(D), 10-3202(D), 10-1622(A)(B) & 10-11622(A)(7))

A. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in been:

1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the period immediately preceding the execution of this certificate?
2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or a monopoly in any state or federal jurisdiction within the seven year period immediately preceding execution of this certificate?
3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven year period preceding execution of this certificate where such injunction, judgment, decree or permanent order involved the violation of:
 - (a) fraud or registration provisions of the securities laws of that jurisdiction, or
 - (b) the consumer fraud laws of that jurisdiction, or
 - (c) the antitrust or restraint of trade laws of that jurisdiction?

One box must be marked: YES

If "YES" to A, the following information must be submitted as an attachment to this report for each person subject to actions stated in Items 1 through 3 above.

- | | |
|---|---|
| 1. Full birth name. | 5. Date and location of birth. |
| 2. Full present name and prior names used. | 6. The nature and description of each corporation; the date and location; the court involved; and the file or cause number of each. |
| 3. Present home address. | |
| 4. All prior addresses for immediately preceding 7 year period. | |

B. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in the corporation in any such capacity or held a 20% interest in any other corporation on the bankruptcy or receivership of that other corporation?

One box must be marked: YES

If "YES" to B, the following information must be submitted as an attachment to this report for each corporation subject to statement above.

- (a) Name and address of each corporation and the persons involved.
- (b) State(s) in which it (i) was incorporated and (ii) transacted business.
- (c) Dates of corporate operation.

11. STATEMENT OF BANKRUPTCY OR RECEIVERSHIP (A.R.S. §§ 10-1623 & 10-11623)

A. Has the corporation filed a petition for bankruptcy or appointed a receiver? **One box must be marked: YES**

If "Yes" to A, the following information must be submitted as an attachment to this report:

1. All officers, directors, trustees and major stockholders of the corporation within one year of filing the petition for bankruptcy or appointment of a receiver. If a major stockholder is a corporation, the statement shall list the current president, chairman of the board of directors and major stockholders of such corporate stockholder. "Major stockholder" means a shareholder controlling twenty per cent of the issued and outstanding shares or twenty per cent of any proprietary, beneficial or interest in the corporation.
2. Whether any such person has been an officer, director, trustee or major stockholder of any other corporation within one year of filing the petition for bankruptcy or receivership of the other corporation. If so, for each such corporation give:
 - (a) Name and address of each corporation;
 - (b) States in which it (i) was incorporated and (ii) transacted business.
 - (c) Dates of operation.

12. SIGNATURES: Annual Reports must be signed and dated by at least one duly authorized officer or they will I declare, under penalty of perjury, that all corporate income tax returns required by Title 43 of the Arizona Revised Statutes filed with the Arizona Department of Revenue. I further declare under penalty of perjury that I (we) have examined this certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

Name **RICK WASHBURN**

Date **03/04/2012**

-0196842-0 COLLINS RANCH WATER USERS ASSOCIATION

Additional Directors

Name: DENNIS GREELEY
Address: 2173 W. ENFIELD WAY
CHANDLER, AZ 852866760
Date Taking Office: 10/01/2004

Name: PERNELL TOMASI
Address: 5006 S ROOSEVELT ST
TEMPE, AZ 85282
Date Taking Office: 10/10/2011

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 07/12/12
 Accrual Basis

CRWUA
Profit & Loss
 January through December 2011

	<u>Jan - Dec 11</u>
Ordinary Income/Expense	
Income	
Water Fees	
Base Water Rate	8,880.00
Late Fees	195.00
Storage Assessment	0.00
Water Use Fees	<u>3,833.28</u>
Total Water Fees	<u>12,908.28</u>
Total Income	12,908.28
Expense	
Bank Service Charges	19.00
Insurance	
Product and General Liability	<u>3,414.00</u>
Total Insurance	3,414.00
Licenses and Permits	10.00
Office	
Meter Reading	443.44
Office Supplies	<u>51.78</u>
Total Office	495.22
Postage and Delivery	150.16
Professional Fees	
Accountant Services	<u>125.00</u>
Total Professional Fees	125.00
Repairs	
Building Repairs	297.17
Distribution System	1,358.93
Equipment Repairs	<u>3,698.66</u>
Total Repairs	5,354.76
Taxes	
Property	<u>1,170.74</u>
Total Taxes	1,170.74
Utilities	
Gas and Electric	<u>790.35</u>
Total Utilities	790.35
Water Treatment	
Plant Checklist/Chlorination	360.00
Treatment Equipment	33.93
Treatment Supplies	295.00
Water Testing	<u>2,645.00</u>
Total Water Treatment	<u>3,333.93</u>
Total Expense	<u>14,863.16</u>
Net Ordinary Income	-1,954.88
Other Income/Expense	
Other Income	
Interest Income	<u>3.14</u>
Total Other Income	<u>3.14</u>
Net Other Income	3.14
Net Income	<u><u>-1,951.74</u></u>

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Accrual Basis

CRWUA
Balance Sheet Prev Year Comparison
As of December 31, 2011

	<u>Dec 31, 11</u>	<u>Dec 31, 10</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
National Bank of Arizona	9,236.83	12,844.94	-3,608.11	-28.1%
National Bank of Arizona MM	6,276.43	6,273.29	3.14	0.1%
Total Checking/Savings	<u>15,513.26</u>	<u>19,118.23</u>	<u>-3,604.97</u>	<u>-18.9%</u>
Total Current Assets	<u>15,513.26</u>	<u>19,118.23</u>	<u>-3,604.97</u>	<u>-18.9%</u>
Fixed Assets				
New Water Plant	101,555.89	87,655.20	13,900.69	15.9%
Storage Tanks	11,047.74	11,047.74	0.00	0.0%
Well Site Property	35,956.36	29,350.97	6,605.39	22.5%
Total Fixed Assets	<u>148,559.99</u>	<u>128,053.91</u>	<u>20,506.08</u>	<u>16.0%</u>
Other Assets				
Distribution System	44,709.05	44,709.05	0.00	0.0%
Generator	3,327.15	4,000.00	-672.85	-16.8%
Pressure Tank	5,000.00	5,000.00	0.00	0.0%
Pump Systems	17,450.20	17,450.20	0.00	0.0%
Wells	20,000.00	20,000.00	0.00	0.0%
Total Other Assets	<u>90,486.40</u>	<u>91,159.25</u>	<u>-672.85</u>	<u>-0.7%</u>
TOTAL ASSETS	<u>254,559.65</u>	<u>238,331.39</u>	<u>16,228.26</u>	<u>6.8%</u>
LIABILITIES & EQUITY				
Equity				
Fund Balance	220,918.02	202,738.02	18,180.00	9.0%
Retained Earnings	35,593.37	37,859.41	-2,266.04	-6.0%
Net Income	-1,951.74	-2,266.04	314.30	13.9%
Total Equity	<u>254,559.65</u>	<u>238,331.39</u>	<u>16,228.26</u>	<u>6.8%</u>
TOTAL LIABILITIES & EQUITY	<u>254,559.65</u>	<u>238,331.39</u>	<u>16,228.26</u>	<u>6.8%</u>

Exhibit B-2

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02/23/12

Accrual Basis

CRWUA
Profit & Loss Prev Year Comparison
January through December 2011

	Jan - Dec 11	Jan - Dec 10	\$ Change	% Change
Ordinary Income/Expense				
Income				
Water Fees				
Base Water Rate	8,880.00	8,880.00	0.00	0.0%
Late Fees	195.00	0.00	195.00	100.0%
Storage Assessment	0.00	0.00	0.00	0.0%
Water Use Fees	3,833.28	3,125.76	707.52	22.6%
Total Water Fees	12,908.28	12,005.76	902.52	7.5%
Total Income	12,908.28	12,005.76	902.52	7.5%
Expense				
Bank Service Charges	19.00	5.00	14.00	280.0%
Insurance				
Product and General Liability	3,414.00	1,796.00	1,618.00	90.1%
Total Insurance	3,414.00	1,796.00	1,618.00	90.1%
Interest Expense				
Finance Charge	0.00	0.02	-0.02	-100.0%
Total Interest Expense	0.00	0.02	-0.02	-100.0%
Licenses and Permits	10.00	45.00	-35.00	-77.8%
Office				
Meter Reading	443.44	120.00	323.44	269.5%
Office Equipment	0.00	94.21	-94.21	-100.0%
Office Supplies	51.78	139.92	-88.14	-63.0%
Software	0.00	295.49	-295.49	-100.0%
Total Office	495.22	649.62	-154.40	-23.8%
Postage and Delivery	150.16	138.00	12.16	8.8%
Professional Fees				
Accountant Services	125.00	0.00	125.00	100.0%
Total Professional Fees	125.00	0.00	125.00	100.0%
Repairs				
Building Repairs	297.17	477.12	-179.95	-37.7%
Distribution System	1,358.93	853.88	505.05	59.2%
Equipment Repairs	3,698.66	974.11	2,724.55	279.7%
Total Repairs	5,354.76	2,305.11	3,049.65	132.3%
Taxes				
Property	1,170.74	981.66	189.08	19.3%
Total Taxes	1,170.74	981.66	189.08	19.3%
Utilities				
Gas and Electric	790.35	1,036.41	-246.06	-23.7%
Total Utilities	790.35	1,036.41	-246.06	-23.7%
Water Treatment				
Plant Checklist/Chlorination	360.00	80.00	280.00	350.0%
Treatment Equipment	33.93	0.00	33.93	100.0%
Treatment Supplies	295.00	475.00	-180.00	-37.9%
Water Testing	2,645.00	2,769.00	-124.00	-4.5%
Total Water Treatment	3,333.93	3,324.00	9.93	0.3%
Total Expense	14,863.16	10,280.82	4,582.34	44.6%
Net Ordinary Income	-1,954.88	1,724.94	-3,679.82	-213.3%
Other Income/Expense				
Other Income				
Interest Income	3.14	9.02	-5.88	-65.2%
Total Other Income	3.14	9.02	-5.88	-65.2%
Other Expense				
Loss on disposition of storage	0.00	4,000.00	-4,000.00	-100.0%

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Accrual Basis

CRWUA

Profit & Loss Prev Year Comparison

January through December 2011

	<u>Jan - Dec 11</u>	<u>Jan - Dec 10</u>	<u>\$ Change</u>	<u>% Change</u>
Total Other Expense	0.00	4,000.00	-4,000.00	-100.0%
Net Other Income	3.14	-3,990.98	3,994.12	100.1%
Net Income	<u>-1,951.74</u>	<u>-2,266.04</u>	<u>314.30</u>	<u>13.9%</u>

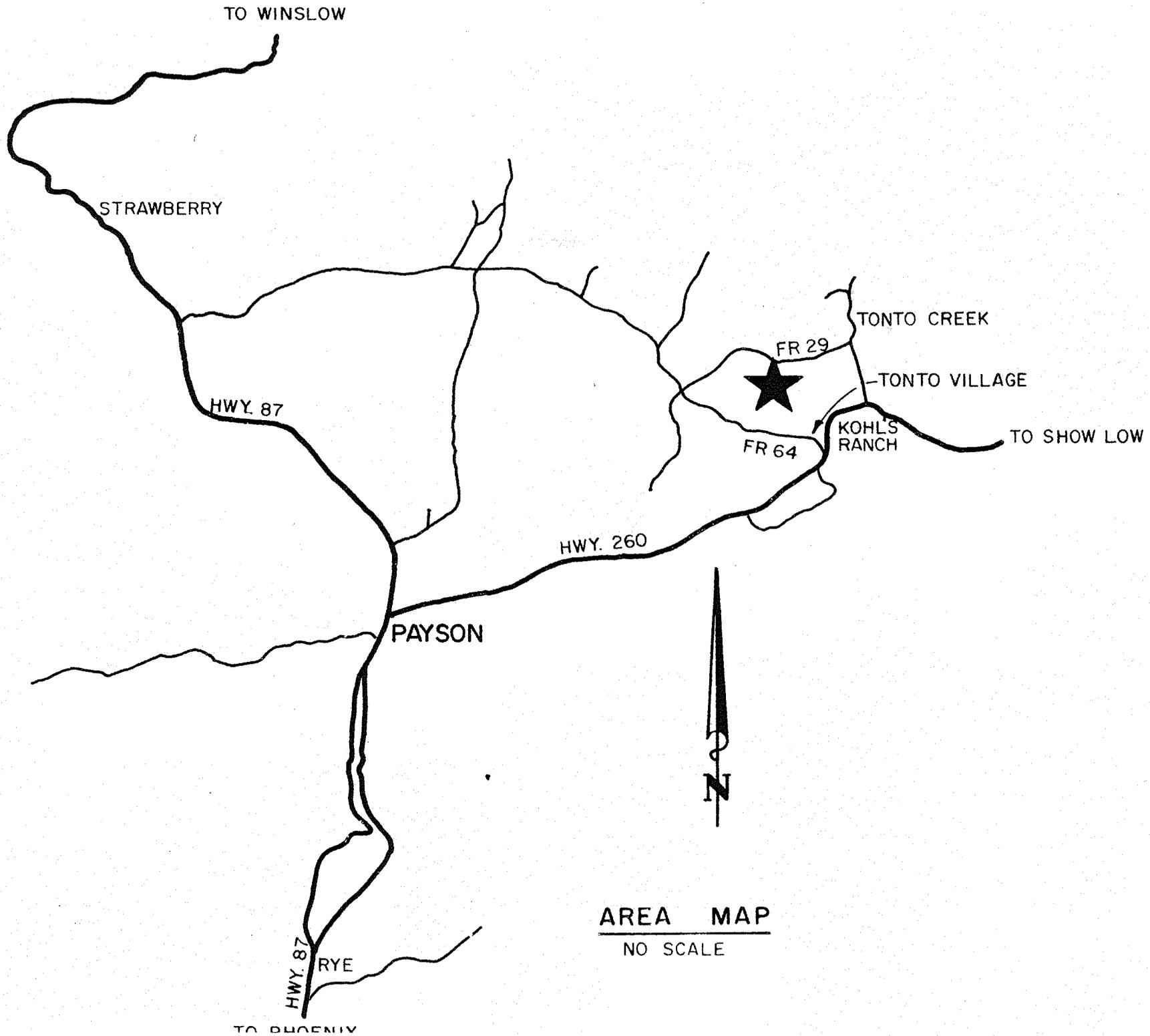
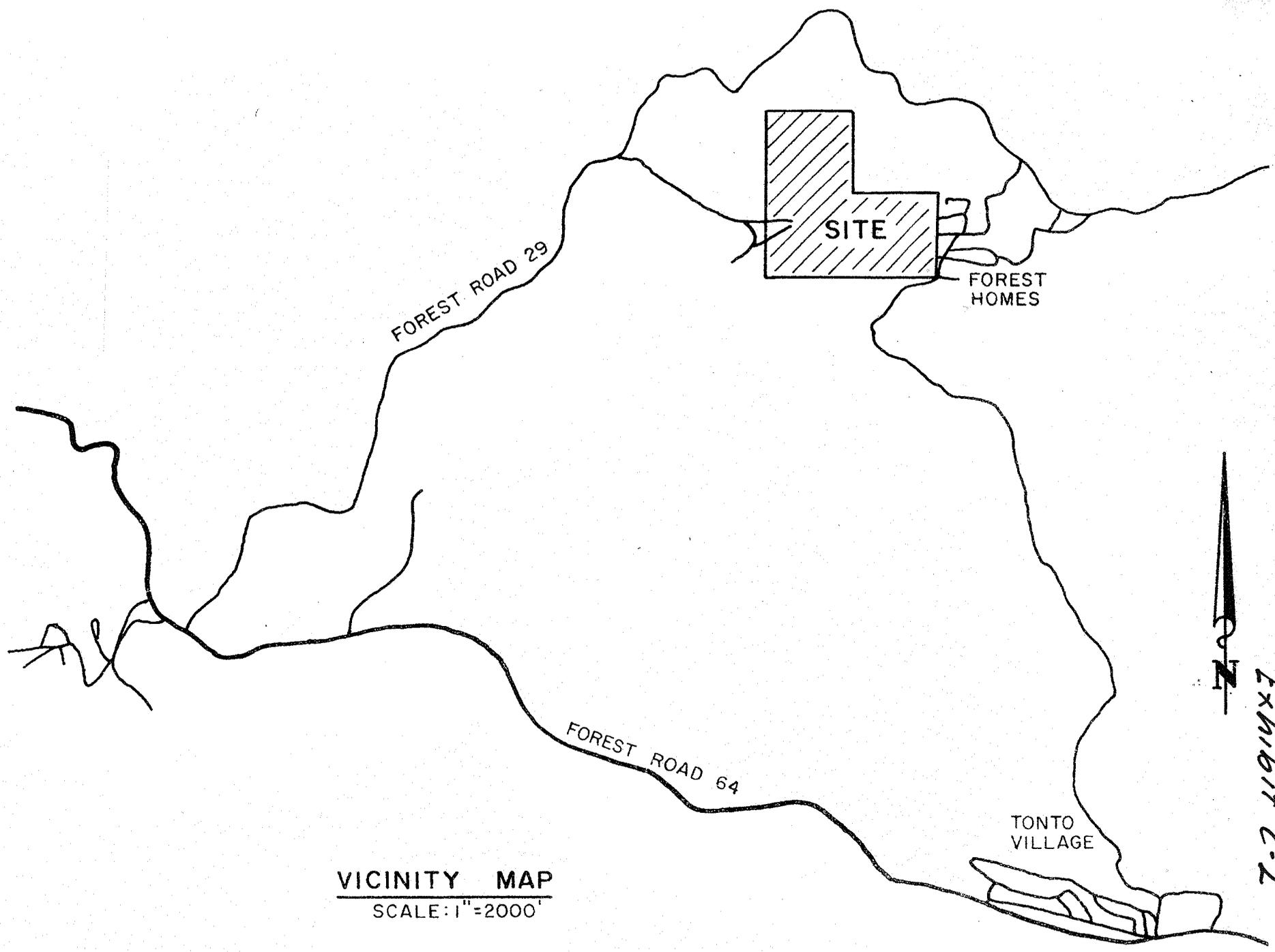


Exhibit C-1



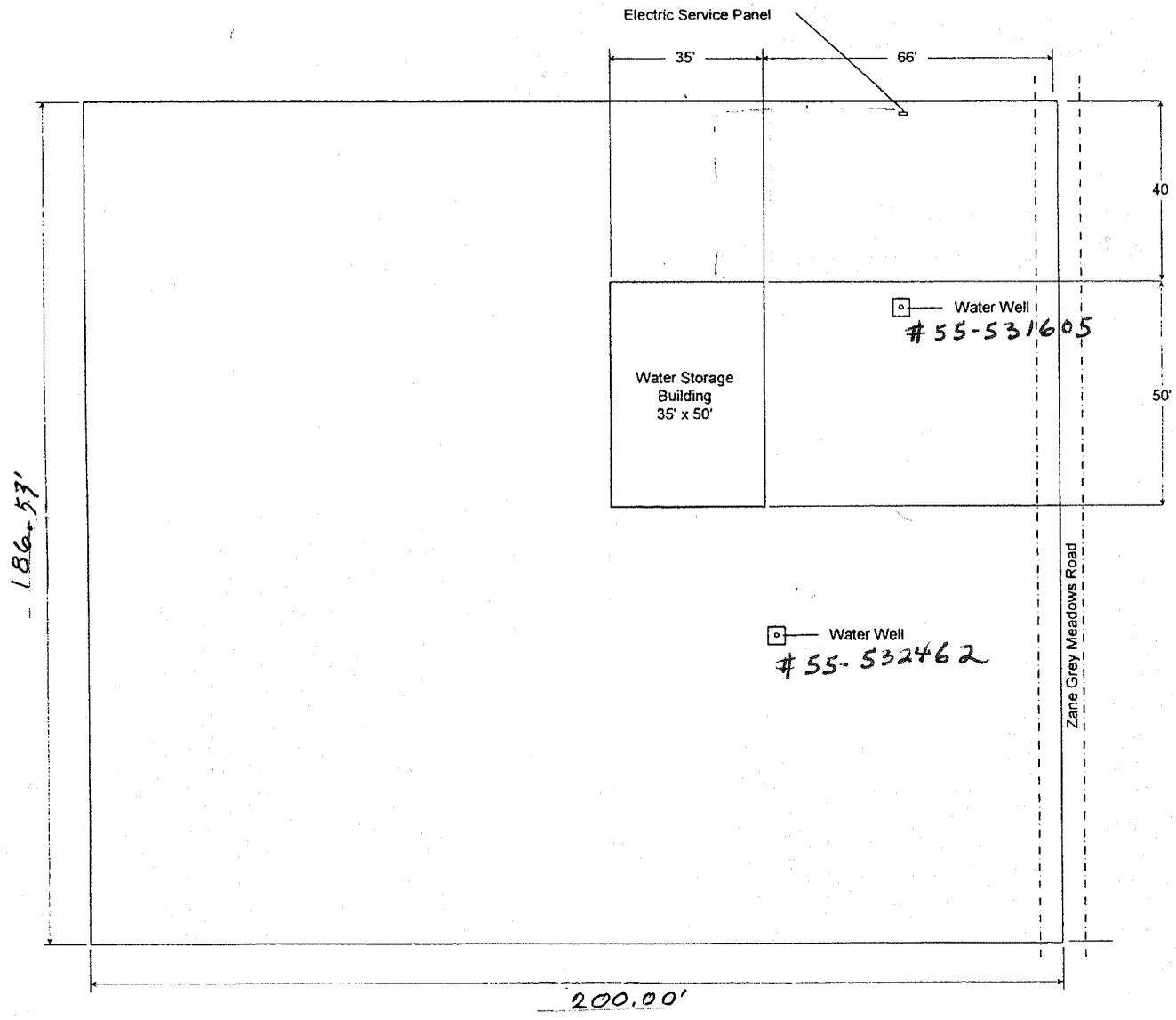
VICINITY MAP
SCALE: 1" = 2000'



Exhibit C-2

Exhibit D





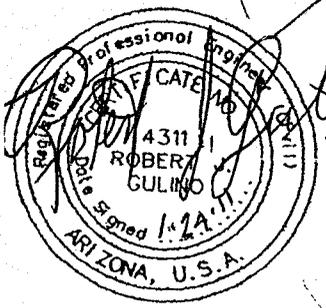
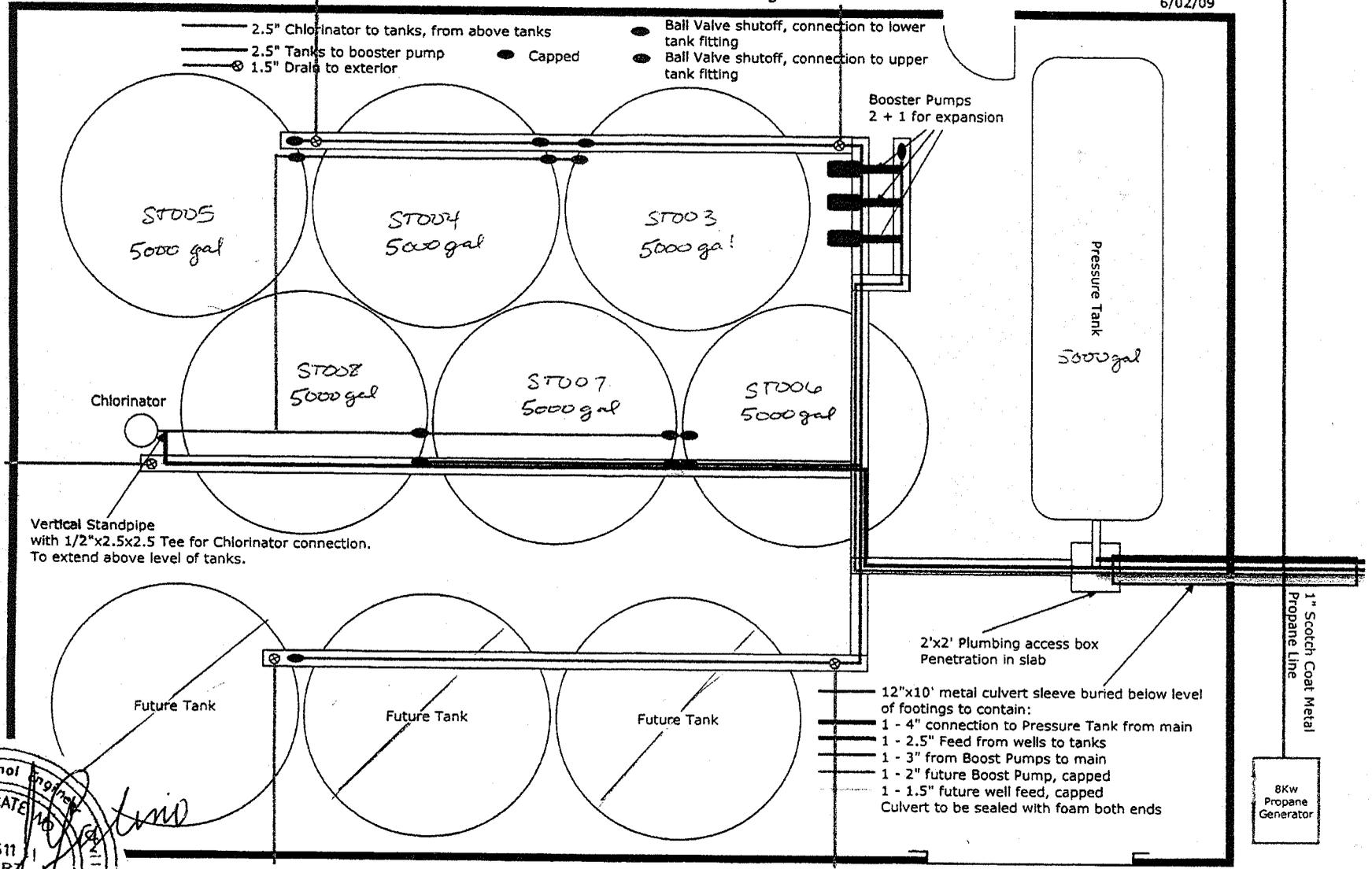
Collins Ranch Water Users Assoc.
ARN: 302-20-005

Exhibit E

To 320 Gal Propane Tank, 15' from building

Collins Ranch Water Users Plumbing Detail

6/02/09



EXPIRES 12/31/2011

Exhibit F

Exhibit G

Collin's Ranch Water Users' Association, Inc.

The following Date approvals chronicle the developmental history of the Association's water system.

- | | |
|-------------------|---|
| May 22, 1976 | Earliest date of ownership by an Association member (Allen and Glen Brooks.) |
| October 2, 1985 | Well permit obtained from the Arizona Department of Water Resources (registration #55-512522) for development of the point of diversion. |
| January 26, 1987 | System approved for construction by the Arizona Department of Health, file #86-691. |
| June 29, 1987 | The Association was approved as a non-profit Arizona Corporation. |
| November 6, 1987 | Easement granted and recorded with Gila County. (Belnap grantor) |
| October 19, 1987 | Construction of the Association's water system was approved by the Arizona Department of Environmental Quality, file #04-099. |
| November 30, 1987 | The Association was granted a service area Franchise by Gila County, Docket 721, p. 265. |
| November 1, 1988 | Public Utility and Roadway Easements filed. (Grantor Dom Com) |
| April 20, 1988 | The Association was adjudicated a non-public water company by the Arizona Corporation Commission, Civil Action #87-146; Docket No. U-2501-87-198, Decision E 55944. |
| July 10, 1991 | Original Well (registration #55-512511) officially abandoned and replaced by the following two combined wells. |
| April 12, 1991 | New well (registration #55-531605). |
| July 16, 1991 | New well (registration #55-532462). |
| June 13, 2007 | Internal Revenue Service approves tax-exempt status for the Association as a 501(c)(12). |
| May 17, 2012 | Gila County issued a Certificate of Occupancy for new water storage facility on the well site consisting of metal building 35 X 50 feet and six 5,000 gallon storage tanks. |