ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01854A
Lyn Lee Water
2321 W. Catalpa
Tucson, AZ 85742

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010

FOR COMMISSION USE

ANN 04	10

3-9-11

COMPANY INFORMATION

Company Name (Business Name) Lyn - Lee Water Co.

Mailing Address 2321 W Catalpa
(Street)

Tucson (City) AZ (State) 85742 (Zip)

520/297-2020
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

Local Office Mailing Address Same
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☒ **Management Contact:** Margaret E. Boring (Name) President (Title)

2321 W. Catalpa (Street) Tucson (City) AZ (State) 85742 (Zip)

520/297-2020
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

On Site Manager:
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

Statutory Agent: Margaret E. Boring
(Name)

2321 W. Catalpa (Street) Tucson (City) AZ (State) 85742 (Zip)

520/297-2020
Telephone No. (Include Area Code) Fax No. (Include Area Code Cell No. (Include Area Code)

Attorney: _____
(Name)

_____
(Street) (City) (State) (Zip)

_____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☐ **Partnership (P)**
- ☐ **Bankruptcy (B)**
- ☐ **Receivership (R)**
- ☐ **Other** (Describe) _____
- ☐ **C Corporation (C) (Other than Association/Co-op)**
- ☒ **Subchapter S Corporation (Z)**
- ☐ **Association/Co-op (A)**
- ☐ **Limited Liability Company**

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**	☐ **COCHISE**	☐ **COCONINO**
☐ **GILA**	☐ **GRAHAM**	☐ **GREENLEE**
☐ **LA PAZ**	☐ **MARICOPA**	☐ **MOHAVE**
☐ **NAVAJO**	☒ **PIMA**	☐ **PINAL**
☐ **SANTA CRUZ**	☐ **YAVAPAI**	☐ **YUMA**
☐ **STATEWIDE**		

COMPANY NAME	Lyn-Lee Water Co

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	6766	6766	-0-
311	Pumping Equipment	35251	34181	1070
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	5910	5910	-0-
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	9374	5506	3868
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	1400	1400	-0-
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	2000	2000	-0-
348	Other Tangible Plant			
	TOTALS	60701	55763	4938

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Lyn-Lee Water Co

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	8052	200 DB	428
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2740	200DB	548
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			976

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME	Lyn- Lee Water Co

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$	$
134	Working Funds	7491	3721
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	$ 7491	$ 3721
	FIXED ASSETS		
101	Utility Plant in Service	$ ~~62~~ 57961	$ 60701
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	54787 ~~54059~~	55763
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ ~~39~~ 3174	$ 4938
	TOTAL ASSETS	$ 10665	$ 8659

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME	Lyn-Lee Water Co.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$	$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1281	1208
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	$ 1281	$ 1208
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$ 17850	$ 17753
	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	$	$
	TOTAL LIABILITIES	$ 19131	$ 18961
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$ 16000	$ 16000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	<24466>	<26302>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	$ <8466>	$ <10302>
	TOTAL LIABILITIES AND CAPITAL	$ 10665	$ 8659

COMPANY NAME	Lyn-Lee Water Co.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 26311	$ 23862
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	$ 26311	$ 23862
	OPERATING EXPENSES		
601	Salaries and Wages	$	$
610	Purchased Water		
615	Purchased Power	3649	3668
618	Chemicals		
620	Repairs and Maintenance	28	250
621	Office Supplies and Expense	2334	2605
630	Outside Services	8400	8400
635	Water Testing	3175	2365
641	Rents		
650	Transportation Expenses	1342	1036
657	Insurance – General Liability	769	1426
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		1967
403	Depreciation Expense	728	976
408	Taxes Other Than Income	1740	1746
408.11	Property Taxes	1332	1259
409	Income Tax		
	TOTAL OPERATING EXPENSES	$ 23497	$ 25698
	OPERATING INCOME/(LOSS)	$ 2814	$ <1536>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	$ -0-	$ -0-
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	$ -0-	$ -0-
	NET INCOME/(LOSS)	$ 2814	$ <1536>

COMPANY NAME	Lyn-Lee Water Co.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	2006 & Prior	2007	2008	2009
Source of Loan	Shareholder	Shareholder	Shareholder	Shareholder
ACC Decision No.				
Reason for Loan	operating loan	operating loan	operating loan	operating loan
Dollar Amount Issued	$ 15713	$ 117	$ 1317	$ 703
Amount Outstanding	$ 15616	$ 117	$ 1317	$ 703
Date of Maturity	None	None	None	None
Interest Rate	%	%	%	%
Current Year Interest	$	$	$	$
Current Year Principle	$	$	$	$

Meter Deposit Balance at Test Year End $ 1208.

Meter Deposits Refunded During the Test Year $ 74

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
10-007	5HP	60#	400	8"		1989

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
N/A		N/A	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
N/A		5000	1

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

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS N/A

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS N/A

Size (in inches)	Quantity
5/8 X ¾	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

N/A

OTHER:

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

COMPANY NAME: Lyn-Lee Water Co.	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	42 (avg)	16.24 acft (avg)	16.24 acft (avg)	
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
	TOTALS →			

What is the level of arsenic for each well on your system? below mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
( ) Yes ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes (X) No

If yes, provide the GPCPD amount:_____

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

COMPANY NAME: Lyn-Lee Water Co.	
Name of System:	ADEQ Public Water System Number:

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				
TOTALS →				

OTHER (description):

_____

_____

_____

_____

_____

_____

COMPANY NAME Lyn-Lee Water Co. YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: $ 1258.79

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

VERIFICATION
AND
SWORN STATEMENT
Taxes

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	ME Boring, President
COMPANY NAME	Lyn-Lee Water Co.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

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.

OFFICIAL SEAL
GAYLE P. LEHRLING
NOTARY PUBLIC-ARIZONA
PIMA COUNTY
My Comm. Exp Sept. 27, 2013

Margaret L. Boring
SIGNATURE OF OWNER OR OFFICIAL

297-2020
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF PIMA

THIS 7th **DAY OF** March, 2011

MONTH MARCH, 2011

(SEAL)

Gayle Lehrling
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES Sept. 27, 2013

COMPANY NAME Lyn - Lee Water Co. YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported (1836.)
Estimated or Actual Federal Tax Liability -0- to S Corporation

State Taxable Income Reported (1836)
Estimated or Actual State Tax Liability -0- to S Corporation

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -0-
Amount of Gross-Up Tax Collected -0-
Total Grossed-Up Contributions/Advances -0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE	DATE
PRINTED NAME	TITLE

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

VERIFICATION

STATE OF Arizona — COUNTY OF (COUNTY NAME): Pima

I, THE UNDERSIGNED — NAME (OWNER OR OFFICIAL) TITLE: M.E. Boring, President

OF THE — COMPANY NAME: Lyn-Lee Water Co.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

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 REQUIREMENT 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 CALENDAR YEAR 2010 WAS:

OFFICIAL SEAL
GAYLE P. LEHRLING
NOTARY PUBLIC-ARIZONA
PIMA COUNTY
My Comm. Exp. Sept. 27, 2013

Arizona Intrastate Gross Operating Revenues Only ($)

$ 23862.25

(THE AMOUNT IN BOX ABOVE INCLUDES $ 1397.65 IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Margaret E. Boring
SIGNATURE OF OWNER OR OFFICIAL

297-2020
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF PIMA

THIS 7th **DAY OF** MARCH, 2011

(SEAL)

Gayle Lehrling
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES Sept. 27, 2013

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA — COUNTY OF (COUNTY NAME): Pima

I, THE UNDERSIGNED — NAME (OWNER OR OFFICIAL): M E Boring — TITLE: President

OF THE — COMPANY NAME: Lyn-Lee Water Co.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

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 40-401.01, 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 CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 23862.25

THE AMOUNT IN BOX AT LEFT INCLUDES $ 1397.65 IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE ~~SALES TAXES BILLED.~~**

OFFICIAL SEAL
GAYLE P. LEHRLING
NOTARY PUBLIC-ARIZONA
PIMA COUNTY
My Comm. Exp. Sept. 27, 2013

Margaret E. Boring
SIGNATURE OF OWNER OR OFFICIAL

297-2020
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 4th **DAY OF**

NOTARY PUBLIC NAME: GAYLE P. LEHRLING
COUNTY NAME: PIMA
MONTH: MARCH ,20 11

(SEAL)

MY COMMISSION EXPIRES Sept. 27, 2013

Gayle P Lehrling
SIGNATURE OF NOTARY PUBLIC