

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01825A

Lagoon Estates Water Company  
2600 N. 44<sup>th</sup> St., Ste. 203  
Phoenix, AZ 85008

**RECEIVED**

MAY 02 2016

AZ CORP COMM  
Director - Utilities

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:  
\_\_\_\_\_

**ANNUAL REPORT**  
**Water**

FOR YEAR ENDING

|    |    |      |
|----|----|------|
| 12 | 31 | 2015 |
|----|----|------|

FOR COMMISSION USE

|        |    |
|--------|----|
| ANN 04 | 15 |
|--------|----|

5-6-16

## COMPANY INFORMATION

**Company Name (Business Name) LAGOON ESTATES WATER COMPANY**

**Mailing Address 2600 N. 44<sup>th</sup> Street, Ste 203**

**Phoenix**

**AZ**

**85008**

(City)

(State)

(Zip)

**602-275-2-0211**

**602-275-8742**

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: sherrillfarmsi@msn.com

**Local Office Mailing Address**

(Street)

(City)

(State)

(Zip)

602-275-0211

1-800-291-5557

Local Customer Service Phone No. (Include Area Code)

(1-800 or other long distance Customer Service Phone No.)

Email Address **sherrillfarmsi@msn.com**

## MANAGEMENT INFORMATION

**Regulatory Contact:**

**Management Contact: Stanley Miller**

**Controller**

**2600 N. 44<sup>th</sup> Street, Ste 203**

**Phoenix**

**AZ**

**85008**

(Street)

(City)

(State)

(Zip)

**602-275-0211**

**602-275-8742**

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email address: sherrillfarmsi@msn.com

**On Site Manager: Karen Brereton, System Operator**

**P.O. Box 5581**

**Mohave Valley**

**AZ**

**86446**

(Street)

(City)

(State)

(Zip)

928-768-3384

928-768-3383

928-323-4579

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: sherrillfarmsi@msn.com

**Statutory Agent:** Charles B. Sherrill Jr.

2600 N. 44<sup>th</sup> St, Ste 203 (Street) (Name) Phoenix (City) AZ (State) 85008 (Zip)

602-275-5402 Telephone No. (Include Area Code) 602-275-8742 Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** Gerald Sherrill

9927 E Bell Road, Ste 120 (Street) (Name) Scottsdale (City) AZ (State) 85260 (Zip)

602-495-1417 Telephone No. (Include Area Code) 602-252-7907 Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |  |   |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)     | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)      | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)    | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe)    |   |

### COUNTIES SERVED

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

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

**COMPANY NAME LAGOON ESTATES WATER COMPANY**

**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                   | 28,262             | 0                             | 28,262                |
| 304       | Structures and Improvements            | 43,779             | 37,797                        | 5,982                 |
| 305       | Collecting & Impounding Reservoirs     |                    |                               |                       |
| 306       | Lake, River, Canal Intakes             |                    |                               |                       |
| 307       | Wells and Springs                      | 87,647             | 65,664                        | 21,983                |
| 308       | Infiltration Galleries                 |                    |                               |                       |
| 309       | Raw Water Supply Mains                 |                    |                               |                       |
| 310       | Power Generation Equipment             |                    |                               |                       |
| 311       | Pumping Equipment                      | 96,177             | 82,974                        | 13,203                |
| 320       | Water Treatment Equipment              |                    |                               |                       |
| 320.1     | Water Treatment Plants                 |                    |                               |                       |
| 320.2     | Solution Chemical Feeders              |                    |                               |                       |
| 320.3     | Point-of-Use Treatment Devices         | 19,536             | 12,760                        | 6,776                 |
| 320.4     | Arsenic Media                          |                    |                               |                       |
| 330       | Distribution Reservoirs and Standpipes |                    |                               |                       |
| 330.1     | Storage Tanks                          | 64,377             | 62,534                        | 1,843                 |
| 330.2     | Pressure Tanks                         |                    |                               |                       |
| 331       | Transmission and Distribution Mains    | 240,665            | 211,705                       | 28,960                |
| 333       | Services                               |                    |                               |                       |
| 334       | Meters and Meter Installations         | 45,943             | 38,495                        | 7,448                 |
| 335       | Hydrants                               | 448                | 448                           | 0                     |
| 336       | Backflow Prevention Devices            |                    |                               |                       |
| 339       | Other Plant and Misc. Equipment        | 5,418              | 1,082                         | 4,336                 |
| 340       | Office Furniture and Equipment         | 12,810             | 10,807                        | 2,003                 |
| 340.1     | Computers & Software                   |                    |                               |                       |
| 341       | Transportation Equipment               | 4,387              | 4,387                         | 0                     |
| 342       | Stores Equipment                       |                    |                               |                       |
| 343       | Tools, Shop and Garage Equipment       |                    |                               |                       |
| 344       | Laboratory Equipment                   |                    |                               |                       |
| 345       | Power Operated Equipment               |                    |                               |                       |
| 346       | Communication Equipment                |                    |                               |                       |
| 347       | Miscellaneous Equipment                |                    |                               |                       |
| 348       | Other Tangible Plant                   |                    |                               |                       |
|           | <b>TOTALS</b>                          | 649,449            | 528,653                       | 120,796               |

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

COMPANY NAME

**WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

| Acct. No. | DESCRIPTION                            | Original Cost(1) | Depreciation Percentage (2) | Depreciation Expense (1 x 2) |
|-----------|--|------------------|-----------------------------|------------------------------|
| 301       | Organization                           |                  |                             |                              |
| 302       | Franchises                             |                  |                             |                              |
| 303       | Land and Land Rights                   | 28,262           | 0                           |                              |
| 304       | Structures and Improvements            | 43,779           | 3.33                        | 1,458                        |
| 305       | Collecting & Impounding Reservoirs     |                  |                             |                              |
| 306       | Lake, River, Canal Intakes             |                  |                             |                              |
| 307       | Wells and Springs                      | 87,647           | 3.33                        | 2,919                        |
| 308       | Infiltration Galleries                 |                  |                             |                              |
| 309       | Raw Water Supply Mains                 |                  |                             |                              |
| 310       | Power Generation Equipment             |                  |                             |                              |
| 311       | Pumping Equipment                      | 96,177           | 12.5                        | 12,022                       |
| 320       | Water Treatment Equipment              |                  |                             |                              |
| 320.1     | Water Treatment Plants                 |                  |                             |                              |
| 320.2     | Solution Chemical Feeders              |                  |                             |                              |
| 320.3     | Point-of-Use Treatment Devices         | 19,536           | 10.0                        | 1,954                        |
| 320.4     | Arsenic Media                          |                  |                             |                              |
| 330       | Distribution Reservoirs and Standpipes |                  |                             |                              |
| 330.1     | Storage Tanks                          | 64,377           | 2.22                        | 1,429                        |
| 330.2     | Pressure Tanks                         |                  |                             |                              |
| 331       | Transmission and Distribution Mains    | 240,665          | 2.0                         | 4,813                        |
| 333       | Services                               |                  |                             |                              |
| 334       | Meters and Meter Installations         | 45,943           | 8.33                        | 3,827                        |
| 335       | Hydrants                               | 448              | 0                           |                              |
| 336       | Backflow Prevention Devices            |                  |                             |                              |
| 339       | Other Plant and Misc. Equipment        | 5,418            | 6.67                        | 361                          |
| 340       | Office Furniture and Equipment         | 12,810           | 6.67                        | 854                          |
| 340.1     | Computers & Software                   |                  |                             |                              |
| 341       | Transportation Equipment               | 4,387            | 20.00                       | 763                          |
| 342       | Stores Equipment                       |                  |                             |                              |
| 343       | Tools, Shop and Garage Equipment       |                  |                             |                              |
| 344       | Laboratory Equipment                   |                  |                             |                              |
| 345       | Power Operated Equipment               |                  |                             |                              |
| 346       | Communication Equipment                |                  |                             |                              |
| 347       | Miscellaneous Equipment                |                  |                             |                              |
| 348       | Other Tangible Plant                   |                  |                             |                              |
|           | <b>SUBTOTAL</b>                        | 649,449          |                             | 30,400                       |
|           | <b>LESS CIAC Amortization</b>          |                  |                             |                              |
|           | <b>TOTALS *</b>                        | 649,449          |                             | 30,400                       |

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

**WATER UTILITY BALANCE SHEET**

| Acct No. | ASSETS                                      | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|----------|---|------------------------------|------------------------|
|          | <b>CURRENT AND ACCRUED ASSETS</b>           |                              |                        |
| 131      | Cash  | \$15,395                     | \$9,667                |
| 134      | Working Funds                               |                              |                        |
| 135      | Temporary Cash Investments                  |                              |                        |
| 141      | Customer Accounts Receivable                |                              |                        |
| 146      | Notes/Receivables from Associated Companies | \$456                        |                        |
| 151      | Plant Material and Supplies                 | \$5,730                      | \$5,724                |
| 162      | Prepayments                                 |                              |                        |
| 174      | Miscellaneous Current and Accrued Assets    | \$(429)                      | \$ 0                   |
|          | <b>TOTAL CURRENT AND ACCRUED ASSETS</b>     | \$21,152                     | \$15,391               |
|          | <b>FIXED ASSETS</b>                         |                              |                        |
| 101      | Utility Plant in Service                    | \$629,013                    | \$649,449              |
| 103      | Property Held for Future Use                |                              |                        |
| 105      | Construction Work in Progress               |                              |                        |
| 108      | Accumulated Depreciation – Utility Plant    | 498,253                      | 528,653                |
| 121      | Non-Utility Property                        |                              |                        |
| 122      | Accumulated Depreciation – Non Utility      |                              |                        |
|          | <b>TOTAL FIXED ASSETS</b>                   | \$130,760                    | \$120,796              |
|          | <b>TOTAL ASSETS</b>                         | <b>\$151,912</b>             | <b>\$136,187</b>       |

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

**WATER UTILITY BALANCE SHEET (CONTINUED)**

| Acct.<br>No.                           | LIABILITIES                                       | BALANCE AT<br>BEGINNING<br>OF YEAR | BALANCE AT<br>END OF<br>YEAR |
|--|---|------------------------------------|------------------------------|
| <b>CURRENT LIABILITES</b>              |   |                                    |                              |
| 231                                    | Accounts Payable                                  | \$5,011                            | \$(250)                      |
| 232                                    | Notes Payable (Current Portion)                   |                                    |                              |
| 234                                    | Notes/Accounts Payable to Associated Companies    |                                    |                              |
| 235                                    | Customer Deposits                                 | \$31,125                           | \$28,798                     |
| 236                                    | Accrued Taxes                                     | \$4,762                            | \$4,926                      |
| 237                                    | Accrued Interest                                  |                                    |                              |
| 241                                    | Miscellaneous Current and Accrued Liabilities     |                                    |                              |
|  | <b>TOTAL CURRENT LIABILITIES</b>                  | <b>\$40,898</b>                    | <b>\$33,474</b>              |
| <b>LONG-TERM DEBT (Over 12 Months)</b> |   |                                    |                              |
| 224                                    | Long-Term Notes and Bonds                         | \$0                                | \$0                          |
| <b>DEFERRED CREDITS</b>                |   |                                    |                              |
| 251                                    | Unamortized Premium on Debt                       | \$                                 | \$                           |
| 252                                    | Advances in Aid of Construction                   | \$35,667                           | \$35,597                     |
| 255                                    | Accumulated Deferred Investment Tax Credits       |                                    |                              |
| 271                                    | Contributions in Aid of Construction              |                                    |                              |
| 272                                    | Less: Amortization of Contributions               |                                    |                              |
| 281                                    | Accumulated Deferred Income Tax                   |                                    |                              |
|  | <b>TOTAL DEFERRED CREDITS</b>                     | <b>\$35,667</b>                    | <b>\$35,597</b>              |
|  | <b>TOTAL LIABILITIES</b>                          | <b>\$76,565</b>                    | <b>\$69,071</b>              |
| <b>CAPITAL ACCOUNTS</b>                |   |                                    |                              |
| 201                                    | Common Stock Issued                               | \$75,214                           | \$75,214                     |
| 211                                    | Paid in Capital in Excess of Par Value            | \$101,471                          | \$101,471                    |
| 215                                    | Retained Earnings                                 | \$(101,338)                        | \$(109,569)                  |
| 218                                    | Proprietary Capital (Sole Props and Partnerships) |                                    |                              |
|  | <b>TOTAL CAPITAL</b>                              | <b>\$75,347</b>                    | <b>\$67,116</b>              |
|  | <b>TOTAL LIABILITIES AND CAPITAL</b>              | <b>\$151,912</b>                   | <b>\$136,187</b>             |

**WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

| Acct. No. | OPERATING REVENUES                        | PRIOR YEAR       | CURRENT YEAR      |
|-----------|---|------------------|-------------------|
| 461       | Metered Water Revenue                     | \$202,024        | \$199,468         |
| 460       | Unmetered Water Revenue                   |                  |                   |
| 474       | Other Water Revenues                      | \$16,428         | \$22,621          |
|           | <b>TOTAL REVENUES</b>                     | <b>\$218,360</b> | <b>\$222,089</b>  |
|           |   |                  |                   |
|           | <b>OPERATING EXPENSES</b>                 |                  |                   |
| 601       | Salaries and Wages                        | \$56,486         | \$65,769          |
| 610       | Purchased Water                           |                  |                   |
| 615       | Purchased Power                           | \$13,155         | \$14,666          |
| 618       | Chemicals                                 | \$562            | \$182             |
| 620       | Repairs and Maintenance                   | \$23,900         | \$27,235          |
| 621       | Office Supplies and Expense               | \$11,701         | \$17,331          |
| 630       | Outside Services                          |                  |                   |
| 635       | Water Testing                             | \$3,993          | 3,298             |
| 641       | Rents                                     | \$10,600         | \$10,400          |
| 650       | Transportation Expenses                   | \$3,600          | \$3,223           |
| 657       | Insurance – General Liability             | \$11,537         | \$2,513           |
| 659       | Insurance - Health and Life               | \$7,603          | \$6,353           |
| 666       | Regulatory Commission Expense – Rate Case |                  |                   |
| 675       | Miscellaneous Expense                     | \$21,243         | \$24,353          |
| 403       | Depreciation Expense                      | \$19,390         | \$30,400          |
| 408       | Taxes Other Than Income                   | \$18,667         | \$16,272          |
| 408.11    | Property Taxes                            | \$8,388          | \$8,297           |
| 409       | Income Tax                                |                  |                   |
|           | <b>TOTAL OPERATING EXPENSES</b>           | <b>\$210,825</b> | <b>\$230,292</b>  |
|           |   |                  |                   |
|           | <b>OPERATING INCOME/(LOSS)</b>            | <b>\$7,535</b>   | <b>\$ (8,203)</b> |
|           |   |                  |                   |
|           | <b>OTHER INCOME/(EXPENSE)</b>             |                  |                   |
| 419       | Interest and Dividend Income              | \$               | \$                |
| 421       | Non-Utility Income                        |                  |                   |
| 426       | Miscellaneous Non-Utility Expenses        |                  |                   |
| 427       | Interest Expense                          | \$32             | \$28              |
|           | <b>TOTAL OTHER INCOME/(EXPENSE)</b>       | <b>\$32</b>      | <b>\$28</b>       |
|           |   |                  |                   |
|           | <b>NET INCOME/(LOSS)</b>                  | <b>\$7,503</b>   | <b>\$(8,231)</b>  |

**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 Amount Issued   | \$      | \$      | \$      | \$      |
| Amount Outstanding     | \$      | \$      | \$      | \$      |
| Date of Maturity       |         |         |         |         |
| Interest Rate          | %       | %       | %       | %       |
| Current Year Interest  | \$      | \$      | \$      | \$      |
| Current Year Principle | \$      | \$      | \$      | \$      |

|  |         |
|--|---------|
| Meter Deposit Balance at Test Year End       | \$5,424 |
| Meter Deposits Refunded During the Test Year | \$3,653 |

**COMPANY NAME LAGOON ESTATES WATER COMPANY**

**Name of System:** ADEQ Public Water System Number: 08-021 & 08-046

**WATER UTILITY PLANT DESCRIPTION**

**WELLS**

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (Inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-536722       | 40 TURBINE      | 1500             | 270                 | 16                       | 8                   |              |
| 55-618835       | 7.5             | 125              | 175                 | 12                       | 4                   |              |
| 55-618836       | 7.5             | 125              | 180                 | 8                        | 3                   |              |
| 55-618837       | 5               | 340              | 210                 | 8                        | 3                   |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
|                     |                |  |
|                     |                |  |

| BOOSTER PUMPS |          | FIRE HYDRANTS     |                |
|---------------|----------|-------------------|----------------|
| Horsepower    | Quantity | Quantity Standard | Quantity Other |
|               |          | 7                 | 5 Jonesheads   |
|               |          |                   |                |
|               |          |                   |                |

| STORAGE TANKS |          | PRESSURE TANKS |          |
|---------------|----------|----------------|----------|
| Capacity      | Quantity | Capacity       | Quantity |
|               |          | 5000           | 3        |
|               |          |                |          |
|               |          |                |          |

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

**COMPANY NAME LAGOON ESTATE WATER COMPANY**

**Name of System: ADEQ Public Water System Number:86-021 & 86-046**

**WATER UTILITY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

| Size (in inches) | Material   | Length (in feet) |
|------------------|------------|------------------|
| 2                |            |                  |
| 3                |            |                  |
| 4                | PVC        | 178,680          |
| 5                |            |                  |
| 6                | PVC        | 10870            |
| 8                | ACP342     | PVC1827          |
| 10               | PVC (C900) | 1833             |
| 12               |            |                  |
|                  |            |                  |
|                  |            |                  |
|                  |            |                  |
|                  |            |                  |
|                  |            |                  |

**CUSTOMER METERS**

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 X 3/4        | 372      |
| 3/4              |          |
| 1                | 2        |
| 1 1/2            |          |
| 2                | 1        |
| Comp. 3          |          |
| Turbo 3          |          |
| Comp. 4          |          |
| Turbo 4          |          |
| Comp. 6          |          |
| Turbo 8          | 1        |
|                  |          |
|                  |          |
|                  |          |

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

TREATMENT EQUIPMENT:

RETAIL SINGLE CYCLINDER GAS CHLORINATOR  
SAND SEPARATOR

STRUCTURES:

SHOP BUILDING  
2 UTILITY SHEDS

OTHER:

SECURITY CYCLONE FENCING  
NATURAL GAS OAN GENERTOR

COMPANY NAME: LAGOON ESTATES WATER COMPANY

Name of System: 08-046

ADEQ Public Water System Number:

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015**

| MONTH           | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) | GALLONS PURCHASED (Thousands) |
|-----------------|---------------------|--------------------------|----------------------------|-------------------------------|
| JANUARY         | 37                  | 280,000                  | 280,000                    | 0                             |
| FEBRUARY        | 39                  | 130,000                  | 130,000                    | 0                             |
| MARCH           | 40                  | 177,000                  | 184,000                    | 0                             |
| APRIL           | 38                  | 166,000                  | 195,000                    | 0                             |
| MAY             | 38                  | 157,000                  | 157,000                    | 0                             |
| JUNE            | 37                  | 234,000                  | 214,000                    | 0                             |
| JULY            | 39                  | 254,000                  | 263,000                    | 0                             |
| AUGUST          | 41                  | 271,000                  | 281,000                    | 0                             |
| SEPTEMBER       | 41                  | 216,000                  | 221,000                    | 0                             |
| OCTOBER         | 39                  | 174,000                  | 242,000                    | 0                             |
| NOVEMBER        | 39                  | 166,000                  | 176,000                    | 0                             |
| DECEMBER        | 39                  | 180,000                  | 180,000                    | 0                             |
| <b>TOTALS →</b> |                     | <b>2,405,000</b>         | 2,523,000                  | 0                             |

What is the level of arsenic for each well on your system? <.0030 mg/l

*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? 1500 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)?

Yes                       No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

Yes                       No

If yes, provide the GPCPD amount: \_\_\_\_\_

**\*\* FLUSHING, IRRIGATION & LEAKS ARE THE DIFFERENCE IN PUMPED/SOLD**

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

COMPANY NAME: LAGOON ESTATES WATER COMPANY

Name of System: 08-021

ADEQ Public Water System Number:55-536722/55-618835

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015**

| MONTH           | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) | GALLONS PURCHASED (Thousands) |
|-----------------|---------------------|--------------------------|----------------------------|-------------------------------|
| JANUARY         | 323                 | 3,161,000                | 3,161,000                  | 0                             |
| FEBRUARY        | 323                 | 1,656,000                | 1,771,000                  | 0                             |
| MARCH           | 328                 | 2,771,000                | 2,771,000                  | 0                             |
| APRIL           | 328                 | 3,166,000                | 3,324,000                  | 0                             |
| MAY             | 328                 | 3,916,000                | 4,172,000                  | 0                             |
| JUNE            | 328                 | 4,696,000                | 5,226,000                  | 0                             |
| JULY            | 326                 | 3,298,000                | 3,897,300                  | 0                             |
| AUGUST          | 329                 | 5,339,000                | 5,773,000                  | 0                             |
| SEPTEMBER       | 329                 | 7,521,000                | 8,061,000                  | 0                             |
| OCTOBER         | 332                 | 4,091,000                | 4,133,000                  | 0                             |
| NOVEMBER        | 330                 | 3,289,000                | 3,579,000                  | 0                             |
| DECEMBER        | 330                 | 4,818,000                | 5,111,000                  | 0                             |
| <b>TOTALS →</b> |                     | <b>47,722,000</b>        | 50,979,300                 | 0                             |

What is the level of arsenic for each well on your system? .0044 mg/l  
*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? 1500 GPM for 2 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)?  
 Yes                       No

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

If yes, provide the GPCPD amount: \_\_\_\_\_

**\*\* FLUSHING, IRRIGATION & LEAKS ARE THE DIFFERENCE IN PUMPED/SOLD**  
***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME: LAGOON ESTATES WATER COMPANY

Name of System: 86-046 & 86-021

ADEQ Public Water System Number:

**UTILITY SHUTOFFS / DISCONNECTS**

| MONTH     | Termination without Notice<br>R14-2-410.B | Termination with Notice<br>R14-2-410.C | OTHER |
|-----------|---|--|-------|
| JANUARY   | 3   |  |       |
| FEBRUARY  | 2   |  |       |
| MARCH     | 3   |  |       |
| APRIL     | 1   |  |       |
| MAY       | 3   |  |       |
| JUNE      | 2   |  |       |
| JULY      | 3   |  |       |
| AUGUST    | 3   |  |       |
| SEPTEMBER | 4   |  |       |
| OCTOBER   | 3   |  |       |
| NOVEMBER  | 3   |  |       |
| DECEMBER  | 0   |  |       |
| TOTALS →  | 33  |  |       |

OTHER (description):

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**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2015 was: \$8297.46

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

RECEIVED  
MAY 02 2016  
AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

|                                |                                      |
|--------------------------------|--------------------------------------|
| COUNTY OF (COUNTY NAME)        | Maricopa                             |
| NAME (OWNER OR OFFICIAL) TITLE | Stanley Miller, Controller / manager |
| COMPANY NAME                   | Lagoon Estate Water Company          |

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  | 2015 |

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 OR OFFICIAL

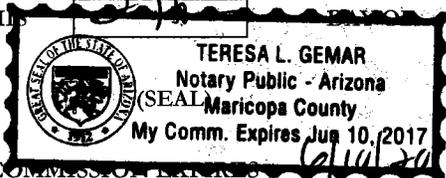
602 275 5402

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



MY COMMISSION EXPIRES

|             |          |      |
|-------------|----------|------|
| COUNTY NAME | Maricopa |      |
| MONTH       | April    | 2016 |

*[Handwritten Signature]*

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**RECEIVED**  
MAY 02 2016  
AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

|                                |                                    |
|--------------------------------|------------------------------------|
| COUNTY OF (COUNTY NAME)        | Maricopa                           |
| NAME (OWNER OR OFFICIAL) TITLE | Stanley Mullen, Controller/Manager |
| COMPANY NAME                   | Lugger Estates Water Company       |

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

FOR THE YEAR ENDING

| MONTH | DAY | YEAR |
|-------|-----|------|
| 12    | 31  | 2015 |

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 2015 WAS:

|   |
|---|
| Arizona Intrastate Gross Operating Revenues Only (\$) |
| \$ 222,089  |

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 10,667  
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)**

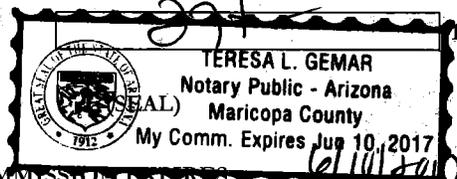
  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
602 275 5402  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

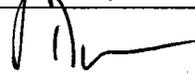
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS \_\_\_\_\_ DAY OF

|             |            |
|-------------|------------|
| COUNTY NAME | Maricopa   |
| MONTH       | April 2016 |



MY COMMISSION EXPIRES

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

**RECEIVED**  
MAY 02 2016  
AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

|  |       |
|--|-------|
| COUNTY OF (COUNTY NAME) <i>Maricopa</i>          |       |
| NAME (OWNER OR OFFICIAL) <i>Stanley Miller</i>   | TITLE |
| COMPANY NAME <i>Lagoon Estates Water Company</i> |       |

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

FOR THE YEAR ENDING

|       |     |      |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12    | 31  | 2015 |

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 2015 WAS:

|   |
|---|
| ARIZONA INTRASTATE GROSS OPERATING REVENUES |
| <b>\$222,089</b>                            |

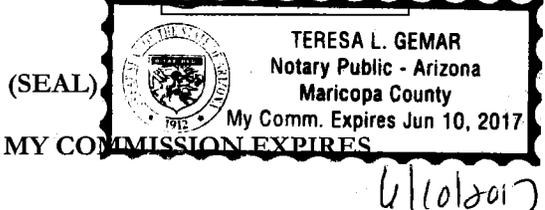
THE AMOUNT IN BOX AT LEFT  
INCLUDES \$10,667.26  
IN SALES TAXES BILLED, OR COLLECTED)

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

*[Signature]*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL

\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS *27th* DAY OF



|  |              |
|--|--------------|
| NOTARY PUBLIC NAME <i>Teresa Gemar</i> |              |
| COUNTY NAME <i>Maricopa</i>            |              |
| MONTH <i>April</i>                     | 20 <i>16</i> |

*[Signature]*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC