

ANNUAL REPORT

Of

Company Name: **Lago Del Oro Water Company**
9532 E. Riggs Rd.

Mailing Address: **Sun Lakes** **AZ**
85248

Docket No.: **W-01944A**
For the Year Ended: **12/31/19**

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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: **5/5/2020**

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Lago Del Oro Water Company
A Class ☒ Utility

For the Calendar Year Ended: 12/31/19

Primary Address: 9532 E Riggs Road
City: Sun Lakes State: Arizona Zip Code: 85428

Telephone Number: 480-895-9200

Date of Original Organization of Utility: 1963

Person to whom correspondence should be addressed concerning this report:

Name: Brian Smith
Telephone No. : 480-895-9200
Address: 9532 E Riggs Road
City: Sun Lakes State: Arizona Zip Code: 85248
Email: Brian.Smith@Robson.com

On-Site Manager
Name: Ed MacMeans
Telephone No. : 520-825-3423
Address: 40004 S Ridgeview Blvd
City: Tucson State: Arizona Zip Code: 85248
Email: Ed.MacMeans@Robson.com

NA
Name:
Telephone No. :
Address:
City: State: Arizona Zip Code:
Email:

NA
Name:
Telephone No. :
Address:
City: State: Arizona Zip Code:
Email:

NA
Name:
Telephone No. :
Address:
City: State: arizona Zip Code:
Email:

Ownership: "C" Corporation

Counties Served: Multiple counties

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Lago Del Oro Water Company

Important changes during the year	
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No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	n/a

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	N/A

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	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	42,608	0	0	42,608	0	42,608
304	Structures and Improvements	390,733	30,237	0	420,969	180,858	240,112
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	2,138,343	0	0	2,138,343	1,804,107	334,236
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	191,730	0	0	191,730	83,917	107,814
311	Pumping Equipment	3,846,706	40,207	74,273	3,812,640	3,812,640	0
320	Water Treatment Equipment	28,368	0	0	28,368	27,316	1,052
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	1,790,564	0	3,900	1,786,664	1,364,591	422,073
330.2	Pressure Tanks	322,891	35,958	36,754	322,095	235,565	86,530
331	Transmission and Distribution Mains	6,830,439	27,875	15,590	6,842,724	4,987,205	1,855,520
333	Services	2,209,788	52,265	4,885	2,257,168	1,588,760	668,408
334	Meters and Meter Installations	722,752	66,398	0	789,150	622,030	167,120
335	Hydrants	793,829	7,792	0	801,621	604,675	196,946
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	42,629	0	0	42,629	25,575	17,054
340.1	Computer & Software	0	10,897	0	10,897	1,090	9,807
341	Transportation Equipment	195,393	93,748	0	289,140	119,454	169,687
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	3,186	3,527	0	6,713	327	6,386
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	68,790	0	0	68,790	65,745	3,045
346	Communication Equipment	353,599	4,098	0	357,697	355,333	2,364
347	Miscellaneous Equipment	50,447	0	0	50,447	27,756	22,691
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$20,022,793	\$373,003	\$135,402	\$20,260,394	\$15,906,943	\$4,353,451

Lago Del Oro Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/19

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	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	42,608	0	0	42,608	42,608	0	0.00%	0
304	Structures and Improvements	390,733	30,237	0	420,969	0	420,969	3.33%	13,515
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	2,138,343	0	0	2,138,343	0	2,138,343	3.33%	71,207
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	191,730	0	0	191,730	0	191,730	5.00%	9,587
311	Pumping Equipment	3,846,706	40,207	74,273	3,812,640	1,042,456	2,770,184	12.50%	348,402
320	Water Treatment Equipment	28,368	0	0	28,368	0	28,368	20.00%	5,674
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	1,790,564	0	3,900	1,786,664	0	1,786,664	2.22%	39,707
330.2	Pressure Tanks	322,891	35,958	36,754	322,095	0	322,095	5.00%	16,125
331	Transmission and Distribution Mains	6,830,439	27,875	15,590	6,842,724	0	6,842,724	2.00%	136,732
333	Services	2,209,788	52,265	4,885	2,257,168	0	2,257,168	3.33%	74,375
334	Meters and Meter Installations	722,752	66,398	0	789,150	0	789,150	8.33%	62,971
335	Hydrants	793,829	7,792	0	801,621	0	801,621	2.00%	15,955
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	42,629	0	0	42,629	0	42,629	6.67%	2,843
340.1	Computer & Software	0	10,897	0	10,897	0	10,897	20.00%	1,090
341	Transportation Equipment	195,393	93,748	0	289,140	0	289,140	20.00%	48,453
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	3,186	3,527	0	6,713	0	6,713	5.00%	247
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	68,790	0	0	68,790	0	68,790	5.00%	3,439
346	Communication Equipment	353,599	4,098	0	357,697	353,599	4,098	10.00%	205
347	Miscellaneous Equipment	50,447	0	0	50,447	0	50,447	10.00%	5,045
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$20,022,793	\$373,003	\$135,402	\$20,260,394	\$1,438,663	\$18,821,731		\$855,570

Contribution(s) in Aid of Construction (Gross)	\$373,942
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$373,942
Times: Proposed Amortization Rate	4.31%
Amortization of CIAC	\$16,106

Less: Amortization of CIAC **\$16,106**

DEPRECIATION EXPENSE \$839,464

Lago Del Oro Water Company
Annual Report
Balance Sheet Assets
12/31/19

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current and Accrued Assets			
131	Cash		\$209,194	\$899,967
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		231,231	208,467
142	Other Receivables		7,760	16,846
145	Accounts Receivable - Related Party		311	272
146	Notes Receivable from Associated Companies		2,843,876	739,130
151	Plant Material and Supplies		0	0
162	Prepayments		28,903	12,071
174	Miscellaneous Current and Accrued Assets		349,815	330,530
	Total Current and Accrued Assets		\$3,671,090	\$2,207,283
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$20,022,793	\$20,260,394
103	Property Held for Future Use		0	0
105	Construction Work in Progress		2,346	18,695
108	Accumulated Depreciation (enter as negative)*		(15,170,555)	(15,906,943)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$4,854,584	\$4,372,145
	Total Assets		\$8,525,674	\$6,579,429

*Note these items feed automatically from AR3 UPIS Page 4

Lago Del Oro Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities			
231	Accounts Payable		\$92,111	\$101,310
232	Notes Payable (Current Portion)		393,060	393,060
233	Accounts Payable - Related Party		63	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		36,675	59,621
236	Accrued Taxes		138,057	211,650
237	Accrued Interest		3,454	2,188
242	Miscellaneous Current and Accrued Liabilities		61,602	70,588
	Total Current Liabilities		\$725,022	\$838,417
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$622,336	\$229,276
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,145,905	1,145,905
272	Less: Amortization of Contributions		(771,962)	(788,069)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$373,943	\$357,836
	Total Liabilities		\$1,721,301	\$1,425,529
	Capital Accounts			
201	Common Stock Issued		\$150,500	\$150,500
211	Other Paid-In Capital		4,322,625	4,322,625
215	Retained Earnings		2,331,248	680,775
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$6,804,373	\$5,153,900
	Total Liabilities and Capital		\$8,525,674	\$6,579,429

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

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	Operating Revenue		
461	Metered Water Revenue	\$2,824,038	\$2,796,418
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	22,096	21,604
	Total Revenues	\$2,846,134	\$2,818,022
	Operating Expenses		
601	Salaries and Wages	\$269,909	\$262,111
603	Salaries and Wages - Officers	31,640	31,640
604	Employee Pensions and Benefits	43,154	60,505
610	Purchased Water	0	0
615	Purchased Power	419,270	450,598
618	Chemicals	25,085	22,178
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	126,833	71,798
620.2	Office Supplies and Expense	72,435	68,664
630	Contractual Services	0	0
631	Contractual Services -Engineering	5,540	0
632	Contractual Services - Accounting	11,050	9,200
633	Contractual Services - Legal	1,988	4,321
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	21,658	61,686
636	Contractual Services - Other	64,041	64,480
640	Rents	0	0
641	Rental of Building/Real Property	4,002	4,002
642	Rental of Equipment	1,554	76
650	Transportation Expenses	10,465	25,619
656	Insurance - Vehicles	3,200	6,942
657	Insurance - General Liability	38,293	34,905
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	20,350	40,700
670	Bad Debt Expense	6,934	9,562
675	Miscellaneous Expense	25,204	22,213
403	Depreciation Expense (From Schedule AR4)	839,464	942,662
407.5	Amortization – EADIT	10,110	10,110
408	Taxes Other Than Income	0	0
408.11	Property Taxes	125,828	143,018
408.12	Payroll Taxes	31,180	17,072
408.13	Other Taxes and Licenses	8,254	7,783
409	Income Taxes	164,435	112,779
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$2,381,876	\$2,484,624
	Operating Income / (Loss)	\$464,258	\$333,398
	Other Income / (Expense)		
419	Interest and Dividend Income	\$101,370	\$112,010
421	Non-Utility Income	18,765	17,349
426	Miscellaneous Non-Utility (Expense)	(1,707)	(319)
427	Interest (Expense)	(33,159)	(49,572)
	Total Other Income / (Expense)	\$85,269	\$79,468
	Net Income / (Loss)	\$549,527	\$412,866

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.000	0.000	0.002	0.002
Vice-president	0.000	0.000	0.037	0.037
Manager	0.451	0.023	0.000	0.474
Engineering Staff	0.000	0.000	0.000	0.000
System Operator(s)	4.060	0.629	0.000	4.689
Meter reader	0.000	0.000	0.000	0.000
Customer Service	0.390	0.000	0.000	0.390
Accounting	0.000	0.000	0.499	0.499
Business Office	0.000	0.000	0.010	0.010
Rates Department	0.000	0.000	0.000	0.000
Administrative Staff	1.182	0.000	0.000	1.182
Other	0.000	0.000	0.000	0.000
Total	6.083	0.652	0.548	7.283

Lago Del Oro Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/19

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	7/27/2006	7/27/2009	6/30/2014	NA
Source of Loan	CB&T	APM	Wells Fargo	NA
ACC Decision No.	62845	62845	74450	NA
Reason for Loan	Plant Additions	Refinace	Plant Additions	NA
Dollar Amt. Issued	\$2,764,996	\$1,154,966	\$2,751,411	\$0
Amount Outstanding	\$0	\$0	\$622,336	\$0
Date of Maturity	7/27/2009	11/17/2011	6/30/2021	NA
Interest Rate	Prime	Prime	4.08%	NA
Current Year Interest	\$0	\$0	\$33,159	NA
Current Year Principal	\$0	\$0	\$393,060	NA

Meter Deposit Balance at Test Year End:	\$59,621
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Meter Deposits Refunded During the Test Year:	\$8,199
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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.

Well and Water Usage											
Name of the System:		LAGO DEL ORO WATER CO									
ADEQ Public Water System Number:		AZ0411117									
ADWR PCC Number:		91-000558.0000									
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2010	Water level 2019	Meter Size (inches)	How measured:	Active
55-613452	75	560	804	16	Submersible	1963	unknown	unknown	6	Metered	Yes
55-613459	2	15	241	8	Submersible	1973	unknown	unknown	1	Metered	Yes
55-613454	150	350	800	16	Turbine	1963	unknown	unknown	8	Metered	Yes
55-613455	15	75	300	10	Submersible	1972	unknown	unknown	3	Metered	Yes
55-613456	30	120	450	8	Submersible	1973	unknown	unknown	3	Metered	Yes
55-613460	10	25	495	8	Submersible	1972	unknown	unknown	2	Metered	Yes
55-613457	8	120	225	8	Submersible	1972	unknown	unknown	3	Metered	Yes
55-613458	3	35	609	8	Submersible	1981	unknown	unknown	1	Metered	Yes
55-623397	15	70	310	10	Submersible	1971	unknown	unknown	2	Metered	Yes
55-518207	200	1,385	800	16	Turbine	1987	unknown	unknown	8	Metered	Yes
55-526451	200	1,000	804	16	Turbine	1990	unknown	unknown	8	Metered	Yes
55-547494	300	1,300	959	16	Turbine	1996	unknown	unknown	10	Metered	Yes
55-548874	200	1,100	1,100	16	Turbine	1995	unknown	unknown	10	Metered	Yes
55-548873	100	330	1,109	16	Submersible	1996	unknown	unknown	6	Metered	Yes
55-573651	150	490	1,200	20	Turbine	1999	unknown	unknown	6	Metered	Yes
55-206036	250	1,200	1,340	16	Turbine	2005	unknown	unknown	10	Metered	Yes

Name of system water delivered to:		Ridgeview Utility Company								
ADWR PCC Number:		0								
Source of water delivered to another system		Ground Water								
Name of system water received from:		Ridgeview Utility Company								
ADWR PCC Number:		0								
Source of water received		Ground Water								
Well registry SS# (55-XXXXXX):		NA								

Month	Water withdrawn (gallons) ¹	Water sold (gallons) ²	Water delivered (sold) to other systems (gallons) ³	Water received (purchased) from other systems (gallons) ⁴	Estimated authorized use (gallons) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	48,483,677.00	40,471,920.00	2,278,800.00	0.00	0.00	\$26,181	169,519
February	41,163,144.00	36,378,175.00	1,880,900.00	0.00	0.00	24,642	156,879
March	48,740,962.00	38,200,504.00	2,197,800.00	0.00	0.00	32,202	199,966
April	73,817,692.00	72,222,510.00	305,700.00	0.00	0.00	33,922	282,785
May	75,615,455.00	74,403,305.00	0.00	1,303,600.00	0.00	39,181	298,076
June	115,089,122.00	107,231,023.00	0.00	42,600.00	0.00	42,705	384,945
July	114,856,185.00	108,664,872.00	3,504,800.00	0.00	0.00	42,799	386,327
August	104,615,284.00	90,197,346.00	3,603,700.00	0.00	0.00	40,437	357,843
September	92,418,545.00	89,785,639.00	1,675,400.00	0.00	0.00	39,696	307,258
October	89,124,533.00	87,310,349.00	0.00	1,707,200.00	0.00	41,579	331,593
November	68,270,931.00	62,831,946.00	0.00	2,681,500.00	0.00	29,084	210,920
December	37,787,308.00	35,994,055.00	0.00	784,900.00	0.00	26,818	163,240
Totals	909,982,838.00	843,691,644.00	15,447,100.00	6,519,800.00	0.00	\$419,245	\$3,249,350

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

N/A

1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
2 Water sold - Total gallons from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
6 Enter the total purchased power costs for the power meters associated with this system.
7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description		
Name of the System:	LAGO DEL ORO WATER CO	
ADEQ Public Water System Number:	AZ0411117	
ADWR PCC Number:	91-000558.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	5,943
3.00	PVC	20,497
4.00	PVC	86,007
6.00	PVC	163,648
8.00	PVC	124,852
10.00	PVC	23,676
12.00	PVC	4,903
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

SERVICE LINES		
Material	Percent of system	Year installed
Copper	80%	1998
Black poly	20%	1986
NA	NA	na
NA	NA	na
NA	NA	na

BOOSTER PUMPS		
Horsepower	GPM	Quantity
60	1,250	2
50	750	2
40	650	2
30	450	4
25	600	4
20	500	7
15	50	2
10	40	2
5	20	4
7.5	35	1
172	1,250	1
152	502	1
58	500	1

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
-	steel	see attached	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4	6,258	52%	unknown
0.75	155	41%	unknown
1	81	49%	unknown
1.5	16	69%	unknown
2	49	90%	unknown
3	12	17%	unknown
4	1	100%	unknown
6	7	57%	unknown
8	1	100%	unknown
10	1	100%	unknown
NA	NA	na	na
NA	NA	na	na
NA	NA	na	na
NA	NA	na	na
NA	NA	na	na
NA	NA	na	na
NA	NA	na	na
NA	NA	na	na

FIRE HYDRANTS	
Type	Quantity
Standard *	399
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
-	steel	see attached	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

* 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)

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

TREATMENT EQUIPMENT:	Chlorine Tanks, Analyser
STRUCTURES:	Storage Building, Shed, Office Building, Pump and Well Enclosures, Gates, Block Walls
OTHER:	Wells, Water Plants, Booster Pumps

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC
 Method used:

205
(a)

 Select = (a), (b) or other

Customer and Other Information	
Name of the System:	LAGO DEL ORO WATER CO
ADEQ Public Water System Number:	AZ0411117
ADWR PCC Number:	91-000558.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	6,366	0	134	5	5
February	6,373	0	133	5	4
March	6,380	0	135	5	8
April	6,386	0	136	5	6
May	6,396	0	136	5	7
June	6,394	0	137	5	9
July	6,409	0	137	5	6
August	6,418	0	137	5	6
September	6,422	0	137	5	7
October	6,421	0	137	5	9
November	6,427	0	136	5	8
December	6,434	0	133	5	7

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment? v

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

If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?

If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

(1) Edwin Road new 8" line - estimated completion 2022 (2) Admiral Place, replace existing line - estimated completion 2020

* an ERC is based on the calculation on the bottom of AR9 page 12.

Lago Del Oro Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	LAGO DEL ORO WATER CO
ADEQ Public Water System Number:	AZ0411117
ADWR PCC Number:	91-000558.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	17	0
February	0	7	0
March	0	9	0
April	0	3	0
May	0	16	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	22	0
November	0	0	0
December	0	16	0
Total	0	90	0

Other (description):

n/a

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.

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2019 was
--

\$134,086

If no property taxes paid, explain why.

N/A

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.

Verification and Sworn Statement (Taxes)

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

County of (county name): Maricopa
Name (owner or official) title: Brian Smith, Vice President
Company name: Lago Del Oro Water Company

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

FOR THE YEAR ENDING: 12/31/19

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.

RECEIVED
BY EMAIL

5/15/2020, 12:15 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



signature of owner/official

480-895-9200

telephone no.

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

THIS

15th

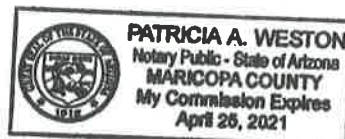
DAY OF

Maricopa
(county name)

May, 2020
(month) and (year)

MY COMMISSION EXPIRES

4/25/21
(date)




(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name):

Maricopa

Name (owner or official) title:

Brian Smith, Vice President

Company name:

Lago Del Oro Water Company

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

FOR THE YEAR ENDING: 12/31/19

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 (\$)

\$3,046,581

(The amount in the box above includes

\$200,448 in sales taxes

billed or collected)

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

[Signature]
signature of owner/official

480-895-9200

telephone no.

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

THIS

15th

DAY OF

May 2020
(month) and (year)

MY COMMISSION EXPIRES

4/25/21
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Brian Smith, Vice President
Company name: Lago Del Oro Water Company

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

FOR THE YEAR ENDING: 12/31/19

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 (\$)

\$2,364,575

(The amount in the box above includes

\$155,253

in sales taxes
billed or collected)

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

[Signature]
signature of owner/official

480-895-9200

telephone no.

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

Maricopa
(county name)

THIS

15th

DAY OF

May, 2020
(month) and (year)

MY COMMISSION EXPIRES

4/25/21
(date)



[Signature]
(signature of notary public)