

**ANNUAL REPORT**

Of

Company Name: Los Cerros Water Company, Inc.  
4003 N. Flowing Wells Rd., Ste. 111

Mailing Address: Tucson AZ  
85705-2499

Docket No.: W-02747A  
For the Year Ended: 12/31/19

**RECEIVED  
BY EMAIL**

4/28/2020, 11:21 AM

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: 5/11/2020

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Los Cerros Water Company, Inc.  
A Class ☐ D ☒ Utility

For the Calendar Year Ended: 12/31/19

Primary Address:   
City:  State:  Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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

**On-Site Manager**

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

**Regulatory Contact**

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

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

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

Ownership:

Counties Served:

<b>Important changes during the year</b>
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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.
	NA

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.
	NA

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
302	Franchises				0		0
303	Land and Land Rights	7,221			7,221		7,221
304	Structures and Improvements	17,018	1,193		18,211	15,223	2,988
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	514,470			514,470	399,983	114,487
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	163,837	14,869	21,294	157,412	115,766	41,646
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders	4,145	748	342	4,551	3,878	673
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	56,617			56,617	55,644	973
330.2	Pressure Tanks	3,245	1,519		4,764	2,390	2,374
331	Transmission and Distribution Mains	483,797			483,797	483,797	0
333	Services	140,986	360		141,346	139,110	2,236
334	Meters and Meter Installations	183,172	1,193		184,365	154,207	30,158
335	Hydrants	24,357			24,357	14,049	10,308
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment	2,739			2,739	(288)	3,027
340	Office Furniture and Equipment	6,908		6,908	0	(3,627)	3,627
340.1	Computer & Software	24,932	2,302	18,386	8,848	4,066	4,782
341	Transportation Equipment	15,000	26,082	15,000	26,082	1,118	24,964
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment	1,300	6,867	1,300	6,867	127	6,740
347	Miscellaneous Equipment	590			590	590	0
348	Other Tangible Plant				0		0
	<b>Totals</b>	<b>\$1,650,334</b>	<b>\$55,133</b>	<b>\$63,230</b>	<b>\$1,642,237</b>	<b>\$1,386,033</b>	<b>\$256,204</b>

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	0.00%	0
303	Land and Land Rights	7,221	0	0	7,221	7,221	0	0.00%	0
304	Structures and Improvements	17,018	1,193	0	18,211		18,211	3.33%	587
305	Collecting & Improving Reservoirs	0	0	0	0		0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0		0	0.00%	0
307	Wells and Springs	514,470	0	0	514,470		514,470	3.33%	17,132
308	Infiltration Galleries	0	0	0	0		0	0.00%	0
309	Supply Mains	0	0	0	0		0	0.00%	0
310	Power Generation Equipment	0	0	0	0		0	0.00%	0
311	Pumping Equipment	163,837	14,869	21,294	157,412	106,885	50,527	12.50%	5,387
320	Water Treatment Equipment	0	0	0	0		0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0		0	0.00%	0
320.2	Solution Chemical Feeders	4,145	748	342	4,551	3,803	748	20.00%	75
320.3	Point-of-Use Treatment Devices	0	0	0	0		0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0		0	0.00%	0
330.1	Storage Tanks	56,617	0	0	56,617	55,578	1,039	2.22%	23
330.2	Pressure Tanks	3,245	1,519	0	4,764		4,764	5.00%	200
331	Transmission and Distribution Mains	483,797	0	0	483,797	483,797	0	2.00%	0
333	Services	140,986	360	0	141,346	138,946	2,400	3.33%	74
334	Meters and Meter Installations	183,172	1,193	0	184,365		184,365	8.33%	15,308
335	Hydrants	24,357	0	0	24,357		24,357	2.00%	487
336	Backflow Prevention Devices	0	0	0	0		0	0.00%	0
339	Other Plant and Misc. Equipment	2,739	0	0	2,739		2,739	6.67%	218
340	Office Furniture and Equipment	6,908	0	6,908	0		0	6.67%	461
340.1	Computer & Software	24,932	2,302	18,386	8,848		8,848	20.00%	3,622
341	Transportation Equipment	15,000	26,082	15,000	26,082		26,082	20.00%	5,608
342	Stores Equipment	0	0	0	0		0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0		0	0.00%	0
344	Laboratory Equipment	0	0	0	0		0	0.00%	0
345	Power Operated Equipment	0	0	0	0		0	0.00%	0
346	Communication Equipment	1,300	6,867	1,300	6,867		6,867	10.00%	473
347	Miscellaneous Equipment	590	0	0	590	590	0	0.00%	0
348	Other Tangible Plant	0	0	0	0		0	0.00%	0
	<b>Subtotal</b>	<b>\$1,650,334</b>	<b>\$55,133</b>	<b>\$63,230</b>	<b>\$1,642,237</b>	<b>\$796,820</b>	<b>\$845,417</b>		<b>\$49,654</b>

Contribution(s) in Aid of Construction (Gross)	\$524,744
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	97,635
Amortizable Contribution(s)	<b>\$427,109</b>
Times: Proposed Amortization Rate	3.93%
<b>Amortization of CIAC</b>	<b>\$16,839</b>

Less: Amortization of CIAC \$16,839

**DEPRECIATION EXPENSE** **\$32,815**

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$33,897	\$17,780
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		13,015	24,851
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	<b>Total Current and Accrued Assets</b>		<b>\$46,912</b>	<b>\$42,631</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$1,650,334	\$1,642,237
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation <b>(enter as negative)*</b>		(1,398,895)	(1,386,033)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$251,439</b>	<b>\$256,204</b>
	<b>Total Assets</b>		<b>\$298,351</b>	<b>\$298,835</b>

\*Note these items feed automatically from AR3 UPIS Page 4

Los Cerros Water Company, Inc.  
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.	<b>Current Liabilities</b>			
231	Accounts Payable		\$0	\$119
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		10,772	5,640
236	Accrued Taxes		2,538	4,113
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	<b>Total Current Liabilities</b>		<b>\$13,310</b>	<b>\$9,872</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		92,343	99,171
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		524,744	524,744
272	Less: Amortization of Contributions		(284,740)	(247,382)
281	Accumulated Deferred Income Tax			
	<b>Total Deferred Credits</b>		<b>\$332,347</b>	<b>\$376,533</b>
	<b>Total Liabilities</b>		<b>\$345,657</b>	<b>\$386,405</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$100,000	\$100,000
211	Other Paid-In Capital		103,550	103,550
215	Retained Earnings		(250,856)	(291,120)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>(\$47,306)</b>	<b>(\$87,570)</b>
	<b>Total Liabilities and Capital</b>		<b>\$298,351</b>	<b>\$298,835</b>

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

Los Cerros Water Company, Inc.  
Annual Report  
Water Comparative Income Statement  
12/31/19

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$379,109	\$375,147
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue	3,723	5,547
	<b>Total Revenues</b>	<b>\$382,832</b>	<b>\$380,694</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$104,377	\$123,615
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	44,234	42,588
618	Chemicals	2,389	1,344
620	Materials and Supplies	4,199	6,555
620.1	Repairs and Maintenance	10,294	2,853
620.2	Office Supplies and Expense	18,031	21,463
630	Contractual Services	4,805	6,293
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	1,465	1,433
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	77,111	
635	Contractual Services - Water Testing	6,443	1,280
636	Contractual Services - Other	547	
640	Rents	4,100	14,273
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	2,700	5,053
657	Insurance - General Liability	3,010	2,939
657.1	Insurance - Health and Life	19,063	18,361
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		993
675	Miscellaneous Expense	4,272	4,130
403	Depreciation Expense (From Schedule AR4)	32,815	27,799
408	Taxes Other Than Income	9,762	11,790
408.11	Property Taxes	19,460	19,111
409	Income Taxes		
427.1	Customer Security Deposit Interest	232	263
	<b>Total Operating Expenses</b>	<b>\$369,309</b>	<b>\$312,136</b>
	<b>Operating Income / (Loss)</b>	<b>\$13,523</b>	<b>\$68,558</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	1,123	209
426	Miscellaneous Non-Utility (Expense)		(534)
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	<b>\$1,123</b>	<b>(\$325)</b>
	<b>Net Income / (Loss)</b>	<b>\$14,646</b>	<b>\$68,233</b>



**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager				0.0
Engineering Staff			difficult to	0.0
System Operator(s)	2,080.0		determine	2,080.0
Meter reader			without	0.0
Customer Service			significant	0.0
Accounting	2,080.0		analysis	2,080.0
Business Office	416.0			416.0
Rates Department				0.0
Administrative Staff				0.0
Other	832.0			832.0
<b>Total</b>	5,408.0	0.0	0.0	5,408.0

Los Cerros Water Company, Inc.  
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	No Loans			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:	\$7,086
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Meter Deposits Refunded During the Test Year:	\$946
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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.***

Name of system water delivered to:	NA	
ADWR PCC Number:		#N/A
Source of water delivered to another system		

Name of system water received from:	NA	
ADWR PCC Number:		#N/A
Source of water received		
Well registry 55# (55-XXXXXX):		

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 <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	5,823,200.00	5,339,322.00	0.00	0.00	25,000.00	\$2,966	16,699
February	5,114,590.00	4,699,392.00	0.00	0.00	12,000.00	2,522	16,834
March	4,432,290.00	4,111,371.00	0.00	0.00	20,150.00	2,415	16,010
April	7,130,150.00	6,711,638.00	0.00	0.00	0.00	3,131	22,003
May	7,734,400.00	6,933,214.00	0.00	0.00	8,500.00	3,571	23,869
June	7,840,690.00	7,359,819.00	0.00	0.00	6,000.00	4,109	26,178
July	8,287,740.00	8,074,430.00	0.00	0.00	6,000.00	5,191	33,033
August	10,273,360.00	9,663,833.00	0.00	0.00	7,600.00	4,416	27,800
September	8,821,080.00	8,245,688.00	0.00	0.00	6,000.00	4,851	30,651
October	8,674,710.00	7,774,196.00	0.00	0.00	0.00	3,937	25,798
November	6,758,530.00	6,827,934.00	0.00	0.00	0.00	3,914	27,934
December	6,388,660.00	5,663,264.00	0.00	0.00	60,100.00	3,211	22,424
<b>Totals</b>	<b>87,279,400.00</b>	<b>81,404,101.00</b>	<b>0.00</b>	<b>0.00</b>	<b>151,350.00</b>	<b>\$44,234</b>	<b>289,233</b>

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

- Page 11

## Water Utility Plant Description

Name of the System:	LOS CERROS WATER CO		
ADEQ Public Water System Number:	AZ0410128		
ADWR PCC Number:	91-000445.0000		

## MAINS

[illegible]

## CUSTOMER METERS

[illegible]

## SERVICE LINES

Material	Percent of system	Year installed
Black poly	95%	various
Copper	5%	

## BOOSTER PUMPS

Horsepower	GPM	Quantity
5	45	2-Wilds/1 Silv Bkl
7.5	70	2 @ Silver Buckle
15	100	2 @ LDO
30	500	1 fire pump

## FIRE HYDRANTS

Type	Quantity
Standard *	66
Other	0

## STORAGE TANKS

Capacity (gallons)	Material	Quantity	Year installed
60,000	Steel	1 @ LDO	1986
375,000	Steel	1 @ Silver Buckle	2005

## PRESSURE/BLADDER TANKS

Capacity (gallons)	Material	Quantity	Year installed
500	Steel	1 @ Wilds	2005
5,000	Steel	1 @ Fiesta	unknown
5,000	Steel	1 @ Silv Buckle	2003
20,000	Steel	1 @ LDO	1986
20,000	Steel	1 @ Swan rd	1989

\* 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.

<b>Water Utility Plant Description (Continued)</b>
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For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	Fiesta Well has a chemical feed pump, and the other four wells have a tablet-sidestream style chlorinator.
<b>STRUCTURES:</b>	6 foot chain link fencing with 3-strand barbed wire on top surrounds four of the well sites and the Swan Road pressure tank. The fifth wellsite has a six-foot masonry block wall with two chainlink gates. Chainlink enclosures surround pumping stations and electrical equipment. Shed at the Wilds well site.
<b>OTHER:</b>	2019 Toyota Tacoma, communications equipment

**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	244
Method used:	(a)

Customer and Other Information	
Name of the System:	LOS CERROS WATER CO
ADEQ Public Water System Number:	AZ0410128
ADWR PCC Number:	91-000445.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	837	0	2	2	4
February	842	0	2	1	4
March	840	0	2	1	4
April	845	0	2	6	6
May	858	0	2	6	6
June	856	0	2	6	6
July	856	0	2	6	6
August	860	0	2	6	6
September	858	0	2	6	6
October	859	0	2	6	6
November	855	0	2	6	6
December	859	0	2	6	6

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

Does the system have chlorination treatment?

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.

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

Annual Report

Utility Shutoffs / Disconnects

12/31/19

Utility Shutoffs / Disconnects		
Name of the System:	LOS CERROS WATER CO	
ADEQ Public Water System Number:	AZ0410128	
ADWR PCC Number:	91-000445.0000	

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	8	0
February	0	4	0
March	0	0	0
April	0	0	0
May	0	2	0
June	0	9	0
July	0	5	0
August	0	4	0
September	0	16	0
October	0	6	0
November	0	0	0
December	0	0	0
<b>Total</b>	<b>0</b>	<b>54</b>	<b>0</b>

Other (description):

N/A
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**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	
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Amount of actual property taxes paid during Calendar Year 2019 was
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\$19,460
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If no property taxes paid, explain why.
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NA
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<b>Instructions:</b> 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.
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Verification and Sworn Statement (Taxes)

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

County of (county name): Pima  
Name (owner or official) title: Jody Carlson, President  
Company name: Los Cerros Water Company, Inc.

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  
4/28/2020, 11:21 AM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Jody Carlson  
signature of owner/official

(520) 744-7844  
telephone no.

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

THIS

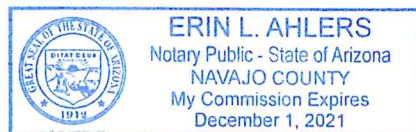
28

DAY OF

Navajo  
(county name)  
April 2020  
(month) and (year)

MY COMMISSION EXPIRES

12/1/2021  
(date)



Erin L. Ahlers  
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name):

Pima

Name (owner or official) title:

Jody Carlson, President

Company name:

Los Cerros Water Company, Inc.

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 (\$)

\$406,714

(The amount in the box above includes

\$23,882

in sales taxes  
billed or collected)

RECEIVED  
BY EMAIL

4/28/2020, 11:21 AM

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Jody Carlson  
signature of owner/official

(520) 744-7844

telephone no.

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

Navajo

(county name)

THIS

28

DAY OF

April 2020

(month) and (year)

MY COMMISSION EXPIRES

12/1/2021  
(date)



ERIN L. AHLERS  
Notary Public - State of Arizona  
NAVAJO COUNTY  
My Commission Expires  
December 1, 2021

Erin Ahlers / Erin Aksamit  
(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): Pima  
Name (owner or official) title: Jody Carlson, President  
Company name: Los Cerros Water Company, Inc.

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 (\$)

\$378,586

(The amount in the box above includes

\$22,230 in sales taxes  
billed or collected)

**RECEIVED  
BY EMAIL**

4/28/2020, 11:21 AM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

Jody Carlson  
signature of owner/official  
(520) 744-7844  
telephone no.

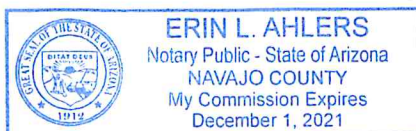
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

Navajo  
(county name)

THIS 28 DAY OF April 2020  
(month) and (year)

MY COMMISSION EXPIRES

12/1/2021  
(date)



Erin L. Ahlers  
(signature of notary public)