## **ANNUAL REPORT** Of Company Name: Los Cerros Water Company, Inc. 4003 N. Flowing Wells Rd., Ste. 111 Mailing Address: Tucson ΑZ 85705-2499 **RECEIVED BY EMAIL** Docket No.: W-02747A For the Year Ended: 12/31/19 4/28/2020, 11:21 AM ARIZONA CORPORATION COMMISSION

# WATER UTILITY

То

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:	Orig	inal Filing
Application Date:	5/11/2020	

UTILITIES DIVISION

# ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Los Cerros Water Company, Inc. A Class DUtility

For the Calendar Year E	inded: $12/31/19$				
Drimony Addusses	2015 N Forbos Dlud #107				
Primary Address:	2015 N Forbes Blvd #107		State: Arizona	Zin Codor 05745	
City.	Tucson	]	State. Anzona	Zip Code: 85745	
Telephone Number:	(520) 623-5172	]		please update address	
*		4			
Date of Original Organiz	zation of Utility:	5/5/19	93		
Person to whom corresp	ondence should be addresse	ed concern	ing this report:		
Name:	Jody Carlson				
Telephone No. :	(520) 744-7844				
Address:	11372 N Vista Ranch Place				
City:	Marana		State: Arizona	Zip Code: 85658	
Email:	loscerroswater@comcast.net				
On-Site Manager					
	Paul Juhl				
Telephone No. :	(520) 623-5172				
Address:	PO Box 85160				
City:	Tucson		State: Arizona	Zip Code: 85754	
Email:	sonncpa@cox.net				
Regulatory Contact					
	Sonn S Ahlbrecht				
Telephone No. :					
•	4802 E Ray Rd #23-535				
	Phoenix		State: Arizona	Zip Code: 85044	
•	sonncpa@cox.net				
				_	
Name:					
Telephone No. :					
Address:					
City:			State:	Zip Code:	
Email:					
					_
Name:					
Telephone No. :					
Address:					
City:			State:	Zip Code:	
Email:			Suit.		
Linan.					
Ownership:	"S" Corporation				
Counties Served:	Pima				

# ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Los Cerros Water Company, Inc.

### Important changes during the year

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.

NĂ

		Utilit	y Plant in Service	(Water)			
Account	Description	Beginning Year	Current Year	Current Year	Adjusted Original	Accumulated	OCLD (OC less
No.	-	Original Cost	Additions	Retirements	Cost	Depreciation	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
	Totals	\$1,650,334	\$55,133	\$63,230	\$1,642,237	\$1,386,033	\$256,204

#### Los Cerros Water Company, Inc. Annual Report Depreciation Expense for the Current Year (Water) 12/31/19

		Dep	reciation 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
	Power Operated Equipment	0	0	0	0		0	0.00%	0
	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
	Other Tangible Plant	0	0	0	0		0	0.00%	0
	Subtotal	\$1,650,334	\$55,133	\$63,230	\$1,642,237	\$796,820	\$845,417		\$49,654

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

Less: Amortization of CIAC \$16,839

DEPRECIATION EXPENSE \$32,815

Los Cerros Water Company, Inc. 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	\$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		
	Total Current and Accrued Assets	\$46,912	\$42,631
Account No.	Fixed Assets		
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 (enter as negative)*	(1,398,895)	(1,386,033)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	Total Fixed Assets	\$251,439	\$256,204
	Total Assets	\$298,351	\$298,835

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

	Balance Sheet Liabilities and Ow	vners Equity	
	Liabilities	Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities		
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		
	Total Current Liabilities	\$13,310	\$9,872
	Long Term Debt		
224	Long Term Debt (Notes and Bonds)	\$0	\$0
	Deferred Credits		
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		
	Total Deferred Credits	\$332,347	\$376,533
	Total Liabilites	\$345,657	\$386,405
	Capital Accounts		
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)		
	Total Capital	(\$47,306)	(\$87,570)
	Total Liabilities and Capital	\$298,351	\$298,835

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

Account No.	Calendar Year	Current Year	Last Year
Account No.	Calendar Tear		
	Operating Poyonue	01/01/2019 - 12/31/2019	01/01/2018 - 12/31/2018
461	Operating Revenue Metered Water Revenue	\$379,109	\$375,14
460	Unmetered Water Revenue	\$379,109	\$575,14
460	Fire Protection Revenue		
462	Guaranteed Revenues (Surcharges)		
409	Miscellaneous Service Revenues		
471 474		3,723	5,54
4/4	Other Water Revenue	\$382,832	\$380,69
	Total Revenues	\$302,032	\$300,09
	Operating Expenses		
601	Salaries and Wages	\$104,377	\$123,61
604	Employee Pensions and Benefits	\$104,377	\$123,01
610	Purchased Water		
615	Purchased Water Purchased Power	44,234	42,58
		2,389	
618	Chemicals	4,199	1,34 6,55
620	Materials and Supplies		
620.1	Repairs and Maintenance	10,294	2,85
620.2	Office Supplies and Expense	18,031	21,46
630	Contractual Services	4,805	6,29
631	Contractual Services - Engineering	1.465	1.42
632	Contractual Services - Accounting	1,465	1,43
633	Contractual Services - Legal	<b>55</b> 111	
634	Contractual Services - Management Fees	77,111	
635	Contractual Services - Water Testing	6,443	1,28
636	Contractual Services - Other	547	
640	Rents	4,100	14,27
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	2,700	5,05
657	Insurance - General Liability	3,010	2,93
657.1	Insurance - Health and Life	19,063	18,36
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		99
675	Miscellaneous Expense	4,272	4,13
403	Depreciation Expense (From Schedule AR4)	32,815	27,79
408	Taxes Other Than Income	9,762	11,79
408.11	Property Taxes	19,460	19,11
409	Income Taxes		
427.1	Customer Security Deposit Interest	232	26
	Total Operating Expenses	\$369,309	\$312,13
	Operating Income / (Loss)	\$13,523	\$68,55
	Other Income / (Expense)	**	
419	Interest and Dividend Income	\$0	\$
421	Non-Utility Income	1,123	20
426	Miscellaneous Non-Utility (Expense)		(53
427	Interest (Expense)	• •	
	Total Other Income / (Expense)	\$1,123	(\$32

Los Cerros Water Company, Inc. Annual Report Full time equivalent employees 12/31/19

# 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
Total	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

Meter Deposits Refunded During the Test Year:

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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.

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\$946

#### Los Cerros Water Company, Inc. Annual Report Well and Water Usage 12/31/19

Name of the System:         LOS CERROS WATER CO           ADEQ Public Water System Number:         AZ0410128           ADWR PCC Number:         91-000445.0000           Well registry 55# (55         Pump Horsepower         Pump (ice)         Casing Depth (ice)         Casing Depth (inches)         Pump Motor         Type **         Drille         2010         2019         Meter Size (inches)         measured: Active           XXXXXX):         Pump Horsepower         Pump (ice)         (inches)         10         66         400         8         Submersible         1971         4         Metered           55-802342 Wilds         30         193         518         10         Submersible         1971         4         Metered           55-802342 Wilds         30         155         396         10         Submersible         1974         4         Metered           55-80738 Fiesta         10         66         564         12         Submersible         2002         2         Metered           55-80734 LDO         30         122         400         9         Submersible         2012         3         Metered           55-21487 Golder         20         122         400         9         Submersible         20					Well and Wat	er Usage						
DWR PCC Number:       91-000445.0000         Vell registry 55 <sup>6</sup> (55- CXXXXX):       Pump Horsepower       Pump Yield (gpm)       Casing Depth (inches)       Casing Diameter Type **       Pump Motor       Year       Water level       Meter Size       How measured:       Active         5x802342 Wilds       30       193       518       10       Submersible       1971       4       Meter det         5x802342 Wilds       30       193       518       10       Submersible       1971       4       Metered         5x802342 Wilds       30       155       396       10       Submersible       1974       4       Metered         5x807383 Fiesta       10       66       400       8       Submersible       1974       4       Metered         5x807384 DO       30       155       396       10       Submersible       202       2       Metered         5x907384 DO       86       564       12       Submersible       2012       2       Metered       5         5x917958 Silver Buckle       20       122       400       9       Submersible       2012       3       Metered         5x917958 Silver Buckle       20       122       400       9 <t< th=""><th>Name of the System:</th><th></th><th>LOS CERROS WA</th><th>ATER CO</th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th></t<>	Name of the System:		LOS CERROS WA	ATER CO								
Nell registry 55# (55- (XXXX):         Pump Horsepower         Pump Yield (gpm)         Casing Depth (feet)         Casing Diameter (inches)         Pump Motor Type **         Vear Dilled         Water level 2010         Meter Size (inches)         Meter Motor measured:         Active           5-802342 Wilds         30         193         518         10         Submersible         1971          4         Metered         Active           5-802734 LDO         30         155         396         10         Submersible         1974          4         Metered           5-804734 LDO         30         155         396         10         Submersible         1974          4         Metered           5-521785 Silver Buckle         20         86         564         12         Submersible         2002         2         2         Metered           5-521487 Golder         20         122         400         9         Submersible         2012         3         Metered          1		em Number:						-				
Yamp Horsepower         Pump Yield (gpm)         (feet)         (inches)         Type **         Drilled         2010         2019         (inches)         measured:         Active           55-8027342 Wilds         30         193         518         10         Submersible         1971          4         Metered            55-802783 Fiesta         10         66         400         8         Submersible         1971          4         Metered            55-802783 Fiesta         0         155         396         10         Submersible         1974          4         Metered            55-801783 Fiesta         20         86         554         12         Submersible         2002          2         Metered            55-291958 Silver Buckle         20         122         400         9         Submersible         2012           3         Metered            55-291958 Silver Buckle         20         122         400         9         Submersible         2012                Metered				91-000445.0000								
55-802342 Wilds       30       193       518       10       Submersible       1971       4       Metered         55-807378 Fiesta       10       66       400       8       Submersible       1985       3       Metered         55-807374 LDO       30       155       396       10       Submersible       1974       4       Metered         55-804734 LDO       30       155       396       10       Submersible       1974       4       Metered         55-804734 LDO       30       155       396       10       Submersible       2002       2       Metered         55-91958 Silver Buckle       20       122       400       9       Submersible       2012       3       Metered         55-221487 Golder       20       122       400       9       Submersible       2012       3       Metered         55-21487 Golder       20       122       400       9       Submersible       2012       3       Metered         55-21487 Golder       20       122       400       9       Submersible       2012       3       Metered         100       100       100       100       100       100       100 </td <td>Well registry 55# (55-</td> <td></td> <td></td> <td></td> <td>Casing Diameter</td> <td>Pump Motor</td> <td>Year</td> <td>Water level</td> <td>Water level</td> <td>Meter Size</td> <td>How</td> <td></td>	Well registry 55# (55-				Casing Diameter	Pump Motor	Year	Water level	Water level	Meter Size	How	
55-805783 Fiesta       10       66       400       8       Submersible       1985       3       Metered         55-804734 LDO       30       155       396       10       Submersible       1974       4       Metered         55-91958 Silver Buckle       20       86       564       12       Submersible       2002       2       Metered         55-221487 Golder       20       122       400       9       Submersible       2012       3       Metered         5-221487 Golder       20       122       400       9       Submersible       2012       3       Metered         5-221487 Golder       20       122       400       9       Submersible       2012       3       Metered         5-221487 Golder       20       122       400       9       Submersible       2012       3       Metered         15       214       10       <		Pump Horsepower	Pump Yield (gpm)	(feet)	(inches)		Drilled	2010	2019	(inches)	measured:	Active
55-804734 LDO       30       155       396       10       Submersible       1974       4       Metered         55-591958 Silver Buckle       20       86       564       12       Submersible       2002       2       Metered         55-221487 Golder       20       122       400       9       Submersible       2012       3       Metered         55-221487 Golder       20       122       400       9       Submersible       2012       3       Metered       1         55-221487 Golder       20       122       400       9       Submersible       2012       3       Metered       1 <td>5-802342 Wilds</td> <td>30</td> <td>193</td> <td>518</td> <td>10</td> <td>Submersible</td> <td>1971</td> <td></td> <td></td> <td>4</td> <td>Metered</td> <td></td>	5-802342 Wilds	30	193	518	10	Submersible	1971			4	Metered	
5-591958 Silver Buckle     20     86     564     12     Submersible     2002     2     Metered       5-221487 Golder     20     122     400     9     Submersible     2012     3     Metered       5-221487 Golder     20     122     400     9     Submersible     2012     3     Metered       5-221487 Golder     20     122     400     9     Submersible     2012     3     Metered       5-221487 Golder     20     2     400     9     Submersible     2012     3     Metered       5-221487 Golder     20     2     400     9     Submersible     2012     3     Metered       5-221487 Golder     20     2     400     9     Submersible     2012     3     Metered       5-221487 Golder     20     2     20     2     20     20     20     20     20       5-221487 Golder     20     20     20     20     20     20     20     20     20       20     20     20     20     20     20     20     20     20     20       20     20     20     20     20     20     20     20     20     20    <	5-805783 Fiesta	10	66	400	8	Submersible	1985			3	Metered	
55-221487 Golder     20     122     400     9     Submersible     2012     3     Metered     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1     1       1     1     1     1     1     1     1     1       1     1     1					10							
Image: Section of the section of t		20	86		12	Submersible				2	Metered	
ADWR PCC Number: #N/A	5-221487 Golder	20	122	400	9	Submersible	2012			3	Metered	
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
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ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A												
ADWR PCC Number: #N/A			-					-				
		ivered to:	NA									
tource of water delivered to another system				#N/A								
	Source of water delivered	to another system										
Name of system water received from: NA			-					-				

Ivane of system water received nom.	1421		
ADWR PCC Number:	#	#N/A	
Source of water received			
Well registry 55# (55-XXXXXX):			

				Water received			
			Water delivered	(purchased) from	Estimated	Purchased	Purchased
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Power	Power
Month	(gallons)1	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense <sup>6</sup>	(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
Totals	87,279,400.00	81,404,101.00	0.00	0.00	151,350.00	\$44,234	289,233

If applicable, in the space below p	lease provide a descri	ption for all un-metered water use	along with amounts:

Water withdrawn - Total gallons of water withdrawn from pumped sources.
 Water sold - Total gallons from customer meters, and other sales such as construction water.
 Water sold - Total gallons from customer meters, and other sales such as construction water.
 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
 Stimated 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.
 GEnter the total purchased power costs for the power meters associated with this system.
 Tenter the total purchased kWh used by the power meters associated with this system.

Los Cerros Water Company, Inc. Annual Report Water Utility Plant Description 12/31/19

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			
Sizes (inches)	Material	Length (feet)	
2.00	PVC	7,360	
3.00	PVC	2,395	
4.00	PVC	25,611	
6.00	PVC	30,341	
8.00	PVC	19,563	
12.00	PVC	588	

SERVICE LINES				
			Year	
Material	Percent of system	tem	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		

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

CUSTOMER METERS				
		Percent over	Percent over	
Size (inches)	Quantity	1,00,000 gallons	10 years old	
5/8 X 3/4	833	49%	93%	
0.75	31	14%	33%	
1	22	41%	82%	
2	6	83%	60%	
3	2	0%	0%	

FIRE HYDRANTS		
Туре	Quantity	
Standard *	66	
Other	0	

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.

### Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	Fiesta Well has a chemical feed pump, and the other four wells have a tablet-sidestream style chlorinator.
STRUCTURES:	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 equpment. Shed at the Wilds well site.
OTHER:	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)
(a)	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:

(b) ERC = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day )

ERC	244	
Method used:	(a)	

Los Cerros Water Company, Inc. Annual Report Customer and Other Information 12/31/19

	Cı	stomer and Other Information	
Name of the System:	LOS CERROS W	ATER CO	
ADEQ Public Water System Number:		AZ0410128	
ADWR PCC Number:		91-000445.0000	

MonthSingle-FamilyMulti-FamilyCommercialTurf/IrrigationOther Non-ResidentialJanuary8370222February8420211March8400211April8450261June8560261	
January     837     0     2     2       February     842     0     2     1       March     840     0     2     1       April     845     0     2     6       May     858     0     2     6       June     856     0     2     6	4
March         840         0         2         1           April         845         0         2         6           May         858         0         2         6           June         856         0         2         6	
April         845         0         2         6           May         858         0         2         6           June         856         0         2         6	4
May         858         0         2         6           June         856         0         2         6	
June 856 0 2 6	6
	6
July 856 0 2 6	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

Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement? If yes, provide the GPCPD amount: 133

Is the Water Utility located in an ADWR Active Management Area (AMA)? If yes, which AMA?

	Yes
ucson AMA	

Yes

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.

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

Los Cerros Water Company, Inc. Annual Report Utility Shutoffs / Disconnects 12/31/19

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

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	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
Total	0	54	0

Other (description):

n):	N/A

**Instructions:** Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Los Cerros Water Company, Inc. Annual Report Property Taxes 12/31/19

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$19,460
If no property taxes paid, explain why.	
NA	

**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.

Los Cerros Water Company, Inc. Annual Report Verification and Sworn Statement (Taxes) 12/31/19

	Verification and Sworn Statement (Taxes)
Verification:	State of Arizona I, the undersigned of the (state name)
	County of (county name):PimaName (owner or official) title:Jody Carlson, PresidentCompany 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 <u>Jody Carlson</u>
	4/28/2020, 11:21 AM
ARIZ	ZONA CORPORATION COMMISSION (520) 744-7844 UTILITIES DIVISION telephone no.
	SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY
	THIS 28 DAY OF April 2020 (month) and (year)
	MY COMMISSION EXPIRES ERIN L. AHLERS Notary Public - State of Arizona NAVAJO COUNTY My Commission Expires December 1, 2021 (date) MY COMMISSION EXPIRES

	Verification and Sworn Statement	
Verification:		
State of Ariz	I, the undersigned of the	
(state )	ame)	
County of (county name):	Pima	7
Name (owner or official) title:	Jody Carlson, President	7
Company name:	Los Cerros Water Company, Inc.	-
DO SAY THAT THIS ANNUA	L UTILITY PROPERTY TAX AND SALES TAX REPORT TO	THE ARIZONA
CORPORATION COMMISSIO	DN.	

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 Intrastat	te Gross Operating Revenues Only (\$)
	\$406,714
(The amount in the	ne box above includes
RECEIVED	\$23,882 in sales taxes
billed or collected	
BY EMAIL	2
4/28/2020, 11:21 AM ARIZONA CORPORATION COMMISSION	Jody Carlson
UTILITIES DIVISION	signature of owner/official
UTILITILS DIVISION	
	(520) 744-7844
	telephone no.
	TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY	Navajo
	(county name)
THIS <u>28</u>	DAY OF <u>April 2020</u>
	(month) and (year)
MY COMMISSION EXPIRES	12122021 (date)
RIN L. AHLERS Notary Public - State of Arizona NAVAJO COUNTY My Commission Expires	En An En Absanit (signature of notary public)
December 1, 2021	(or British or Hotar) buolity)

Los Cerros Water Company, Inc. Annual Report Verification and Sworn Statement (Residential Revenue) 12/31/19

Verification and Sworn Statement (Residential Revenue)
Verification:
State of Arizona I, the undersigned of the (state name)
County of (county name):PimaName (owner or official) title:Jody Carlson, PresidentCompany 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 (\$) S378,586 (The amount in the box above includes S22,230 in sales taxes billed or collected) BY EMAIL 4/28/2020, 11:21 AM ARIZONA CORPORATION COMMISSION UTILITIES DIVISION (520) 744-7844 telephone no.
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY
THIS 28 DAY OF April 2020 (month) and (year)
MY COMMISSION EXPIRES ERIN L. AHLERS Notary Public - State of Arizona NAVAJO COUNTY My Commission Expires December 1, 2021 (signature of notary public)