

Rec

ANNUAL REPORT

Of

Company Name: **Vail Water Company**
1010 N. Finance Center Dr., Ste 200

Mailing Address: Tucson AZ
85710

Docket No.: W-01651B
For the Year Ended: 12/31/19

**RECEIVED
BY EMAIL**
3/19/2020, 12:45 PM
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: 3/17/2020

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Vail Water Company
A Class Utility

For the Calendar Year Ended: 12/31/19

Primary Address:

1010 N. Finance Center Dr., Ste 200			
City:	Tucson	State:	Arizona
Zip Code:	85710		

Telephone Number:

520-571-1958

Date of Original Organization of Utility:

6/10/1959

Person to whom correspondence should be addressed concerning this report:

Name:

Christopher Volpe

Telephone No. :

520-571-1958

Address:

1010 N. Finance Center Dr., Ste 200			
City:	Tucson	State:	Arizona
Zip Code:	85710		

Email:

kvolpe@estesco.net

On-Site Manager
Name:

Manny Oros

Telephone No. :

520-647-3679

Address:

1010 N. Finance Center Dr., Ste 200			
City:	Tucson	State:	Arizona
Zip Code:	85710		

Email:

operator@vailwater.com

Regulatory and Management Contact
Name:

Christopher Volpe

Telephone No. :

520-571-1958

Address:

1010 N. Finance Center Dr., Ste 200			
City:	Tucson	State:	Arizona
Zip Code:	85710		

Email:

kvolpe@estesco.net

Regulatory and Management Contact
Name:

Christopher Volpe

Telephone No. :

ABOVE

Address:

ABOVE			
City:	Tucson	State:	Arizona
Zip Code:	85710		

Email:

ABOVE

Statutory Agent
Name:

Christopher Volpe

Telephone No. :

ABOVE

Address:

ABOVE			
City:	ABOVE	State:	Arizona
Zip Code:	85710		

Email:

ABOVE

Ownership:

"S" Corporation

Counties Served:

Pima

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.
	No change.

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.
	No change.

Vail Water Company
Annual Report
Utility Plant in Service (Water)
12/31/19

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	17,750	\$0	\$0	17,750	0	17,750
304	Structures and Improvements	398,006	\$0	\$0	398,006	208,739	189,267
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	1,033,410	\$61,186	\$0	1,094,596	556,594	538,002
308	Infiltration Galleries	0	\$0	\$0	0	0	0
309	Supply Mains	1,009,336	\$0	\$0	1,009,336	111,326	898,010
310	Power Generation Equipment	0	\$0	\$0	0	0	0
311	Pumping Equipment	2,230,519	\$389,913	\$0	2,620,432	1,972,554	647,878
320	Water Treatment Equipment	0	\$0	\$0	0	0	0
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	1,584,151	\$0	\$0	1,584,151	551,969	1,032,182
330.2	Pressure Tanks	0	\$0	\$0	0	0	0
331	Transmission and Distribution Mains	17,811,490	\$1,275,171	\$1	19,086,660	3,931,983	15,154,677
333	Services	23,579	\$0	\$0	23,579	17,249	6,330
334	Meters and Meter Installations	1,228,529	\$127,577	\$45,808	1,310,298	891,629	418,669
335	Hydrants	743,052	\$104,805	\$0	847,857	138,950	708,907
336	Backflow Prevention Devices	9,442	\$0	\$0	9,442	7,202	2,240
339	Other Plant and Misc. Equipment	6,553	\$0	\$0	6,553	6,553	0
340	Office Furniture and Equipment	38,693	\$4,535	\$0	43,228	23,986	19,242
340.1	Computer & Software	34,554	\$26,000	\$0	60,554	25,523	35,031
341	Transportation Equipment	112,247	\$0	\$0	112,247	95,218	17,029
342	Stores Equipment	0	\$0	\$0	0	0	0
343	Tools, Shop and Garage Equipment	15,645	\$0	\$0	15,645	10,460	5,185
344	Laboratory Equipment	0	\$0	\$0	0	0	0
345	Power Operated Equipment	47,564	\$0	\$0	47,564	5,946	41,618
346	Communication Equipment	0	\$0	\$0	0	0	0
347	Miscellaneous Equipment	9,656	\$0	\$0	9,656	8,093	1,563
348	Other Tangible Plant	0	\$0	\$0	0	0	0
	Totals	\$26,354,176	\$1,989,187	\$45,809	\$28,297,554	\$8,563,974	\$19,733,580

Vail 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	17,750	0	0	17,750	0	17,750	0.00%	0
304	Structures and Improvements	398,006	0	0	398,006	3,243	394,763	3.33%	13,146
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.50%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	2.50%	0
307	Wells and Springs	1,033,410	61,186	0	1,094,596	28,383	1,066,213	3.33%	34,486
308	Infiltration Galleries	0	0	0	0	0	0	6.67%	0
309	Supply Mains	1,009,336	0	0	1,009,336	0	1,009,336	2.00%	20,187
310	Power Generation Equipment	0	0	0	0	0	0	5.00%	0
311	Pumping Equipment	2,230,519	389,913	0	2,620,432	1,454,518	1,165,914	12.50%	121,370
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	10.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	1,584,151	0	0	1,584,151	0	1,584,151	2.22%	35,168
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	17,811,490	1,275,171	1	19,086,660	0	19,086,660	2.00%	368,982
333	Services	23,579	0	0	23,579	12,451	11,128	3.33%	371
334	Meters and Meter Installations	1,228,529	127,577	45,808	1,310,298	613,863	696,435	8.33%	54,607
335	Hydrants	743,052	104,805	0	847,857	0	847,857	2.00%	15,909
336	Backflow Prevention Devices	9,442	0	0	9,442	1,376	8,066	6.67%	538
339	Other Plant and Misc. Equipment	6,553	0	0	6,553	6,553	0	6.67%	0
340	Office Furniture and Equipment	38,693	4,535	0	43,228	9,820	33,408	6.67%	2,077
340.1	Computer & Software	34,554	26,000	0	60,554	14,304	46,250	20.00%	6,650
341	Transportation Equipment	112,247	0	0	112,247	78,188	34,059	20.00%	6,812
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	15,645	0	0	15,645	0	15,645	5.00%	782
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	47,564	0	0	47,564	0	47,564	5.00%	2,378
346	Communication Equipment	0	0	0	0	0	0	10.00%	0
347	Miscellaneous Equipment	9,656	0	0	9,656	5,190	4,466	10.00%	447
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$26,354,176	\$1,989,187	\$45,809	\$28,297,554	\$2,227,889	\$26,069,665		\$683,909

Contribution(s) in Aid of Construction (Gross)	\$20,509,479
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	2,195,016
Amortizable Contribution(s)	\$18,314,463
Times: Proposed Amortization Rate	2.62%
Amortization of CIAC	\$480,460

Less: Amortization of CIAC	\$480,460
DEPRECIATION EXPENSE	\$203,449

Vail 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		\$546,452	\$946,298
134	Working Funds		0	0
135	Temporary Cash Investments		3,984,117	3,415,633
141	Customer Accounts Receivable		340,446	333,403
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,616,517	1,677,266
174	Miscellaneous Current and Accrued Assets		62,420	33,000
	Total Current and Accrued Assets		\$6,549,952	\$6,405,600
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$26,354,176	\$28,297,554
103	Property Held for Future Use		0	0
105	Construction Work in Progress		26,455	26,455
108	Accumulated Depreciation (enter as negative)*		(7,921,630)	(8,563,974)
121	Non-Utility Property		138,116	138,116
122	Accumulated Depreciation - Non Utility		(134,616)	(134,616)
	Total Fixed Assets		\$18,462,501	\$19,763,535
	Total Assets		\$25,012,453	\$26,169,135

*Note these items feed automatically from AR3 UPIS Page 4

Vail 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		\$144,977	\$76,112
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		369,629	440,216
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$514,606	\$516,328
	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		7,436,453	9,071,148
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		11,253,985	11,438,331
272	Less: Amortization of Contributions		(2,194,116)	(2,675,476)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$16,496,322	\$17,834,003
	Total Liabilities		\$17,010,928	\$18,350,331
	Capital Accounts			
201	Common Stock Issued		\$638,099	\$638,099
211	Other Paid-In Capital		2,445,314	2,445,314
215	Retained Earnings		4,918,112	4,735,391
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$8,001,525	\$7,818,804
	Total Liabilities and Capital		\$25,012,453	\$26,169,135

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

Vail Water Company
Annual Report
Water Comparative Income Statement
12/31/19

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	\$2,477,328	\$2,437,448
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	989,120	1,078,242
	Total Revenues	\$3,466,448	\$3,515,690
	Operating Expenses		
601	Salaries and Wages	\$367,762	\$327,837
604	Employee Pensions and Benefits	6,057	0
610	Purchased Water	1,084,043	876,926
615	Purchased Power	96,982	94,271
618	Chemicals	737	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	63,959	251,794
620.2	Office Supplies and Expense	68,509	70,753
630	Contractual Services	0	0
631	Contractual Services - Engineering	27,767	17,330
632	Contractual Services - Accounting	17,256	15,179
633	Contractual Services - Legal	1,057	560
634	Contractual Services - Management Fees	168,853	159,476
635	Contractual Services - Water Testing	11,339	9,803
636	Contractual Services - Other	41,559	42,777
640	Rents	8,513	8,322
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	21,738	22,444
657	Insurance - General Liability	1,307	46,984
657.1	Insurance - Health and Life	43,589	2,274
665	Regulatory Commission Expense - Rate	15,249	11,317
670	Bad Debt Expense	10,007	23,856
675	Miscellaneous Expense	12,918	320,420
403	Depreciation Expense (From Schedule AR4)	203,449	204,777
408	Taxes Other Than Income	0	0
408.11	Property Taxes	177,263	159,983
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	1,098
	Total Operating Expenses	\$2,449,913	\$2,668,181
	Operating Income / (Loss)	\$1,016,535	\$847,509
	Other Income / (Expense)		
419	Interest and Dividend Income	\$88,553	\$60,921
421	Non-Utility Income	68,142	62,933
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(5,951)	0
	Total Other Income / (Expense)	\$150,744	\$123,854
	Net Income / (Loss)	\$1,167,279	\$971,363

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	1.0	0.0	0.0	1.0
Meter reader	3.0	0.0	0.0	3.0
Customer Service	1.0	0.0	0.0	1.0
Accounting	0.0	0.0	0.0	0.0
Business Office	0.0	0.5	0.0	0.5
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	1.0	0.0	0.0	1.0
Other	0.0	0.0	0.0	0.0
Total	6.0	0.5	0.0	6.5

Vail 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	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	\$341,024
-----------------------------------------	-----------

Meter Deposits Refunded During the Test Year:	\$44,793
-----------------------------------------------	----------

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: VAIL WATER COMPANY											
ADEQ Public Water System Number: AZ0410041											
ADWR PCC Number: 91-000417.0000											
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:
55-087813 (7)	0	0	0	0	0	1981	0	0	0	N/A	No
55-087814 (5)	300	975	924	14	Turbine	1981	519	535	8	Metered	Yes
55-087815 (4)	0	0	0	0	0	1981	0	0	0	N/A	No
55-087816 (8)	125	550	845	12	Turbine	1981	453	469	10	Metered	Yes
55-087817 (6)	125	700	759	14	Turbine	1981	457	410	8	Metered	Yes
55-602949 (1)	0	0	0	0	0	0	0	0	0	N/A	No
55-625703 (3)	100	600	614	12	Turbine	1974	340	400	8	Metered	Yes
55-625704 (2)	0	0	0	0	0	0	0	0	0	N/A	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	No

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

Name of system water received from:	TUCSON, CITY OF
ADWR PCC Number:	91-000439.0000
Source of water received	CAP
Well registry 55# (55-XXXXXX):	55-217513

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	0.00	29,189,999.00	0.00	28,177,908.00	0.00	\$2,687	642
February	0.00	23,511,803.00	0.00	27,268,340.00	0.00	4,737	15,361
March	0.00	27,566,370.00	6,149,000.00	29,476,436.00	0.00	6,400	32,560
April	0.00	35,702,620.00	4,588,000.00	35,776,840.00	0.00	4,175	4,601
May	0.00	36,470,592.00	4,820,000.00	43,220,936.00	0.00	7,380	20,302
June	2,775,000.00	36,334,035.00	15,893,000.00	40,124,216.00	0.00	15,826	78,284
July	6,134,000.00	45,369,879.00	14,660,000.00	37,827,108.00	0.00	8,614	30,530
August	3,478,000.00	36,963,819.00	11,219,000.00	42,118,384.00	0.00	10,818	47,985
September	1,772,000.00	33,039,538.00	11,022,000.00	36,599,640.00	0.00	10,104	46,186
October	159,000.00	34,626,754.00	10,172,000.00	39,304,408.00	0.00	7,963	43,884
November	0.00	30,041,005.00	2,604,000.00	36,542,044.00	0.00	4,673	13,508
December	0.00	28,363,815.00	1,189,000.00	33,899,360.00	0.00	6,110	5,224
Totals	14,318,000.00	397,180,229.00	82,316,000.00	430,335,620.00	0.00	\$89,487	339,067

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

Flushing: January 100,000	March 106,126	April 30,000	May 25,000	June 35,000	July 184,800	August 200,000	September 250,000	October 270,000	November 200,000	December 66,300
---------------------------	---------------	--------------	------------	-------------	--------------	----------------	-------------------	-----------------	------------------	-----------------

- 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:	VAIL WATER COMPANY	
ADEQ Public Water System Number:	AZ0410041	
ADWR PCC Number:	91-000417.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Galvanized	8,456
3.00	0	0
4.00	PVC/Asbestos	47,624
5.00	0	0
6.00	PVC/Asbestos	163,781
8.00	PVC/Asbestos	220,692
10.00	PVC/Asbestos	16,918
12.00	PVC/Asbestos	118,216
16.00	PVC/Asbestos	9,743
0.00	0	0
0.00	0	0
0.00	0	0
0.00	0	0
0.00	0	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,00,000 gallons	Percent over 10 years old
5/8 X 3/4"	4,933	30%	70%
3/4"	257	0%	0%
3"	8	0%	0%
2"	44	0%	0%
1"	29	0%	0%
1 1/2"	23	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%
0	0	0%	0%

SERVICE LINES		
Material	Percent of system	Year installed
Copper	100%	99-2019
0	0%	0
0	0%	0
0	0%	0
0	0%	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	0	3
20	0	6
25	0	4
30	0	7
50	0	2

FIRE HYDRANTS	
Type	Quantity
Standard *	543
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
100,000	Steel	1	0
290,000	Steel	1	2005
500,000	Steel	2	2006
550,000	Steel	1	2007
600,000	Steel	1	1998
0	0	0	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	Steel	13	1999-2019
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

* 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.

Description (Continued)

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	100% CAP water received directly from City of Tucson already chlorinated. 1.02% residual of calcium hypochloride.
STRUCTURES:	Administrative office 57x35 steel building
OTHER:	None

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

	3
--	---

Method used:

(b)

Customer and Other Information	
Name of the System:	VAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410041
ADWR PCC Number:	91-000417.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	4,873	0	60	58	58
February	4,885	0	60	59	59
March	4,924	0	60	60	60
April	4,969	0	61	60	60
May	4,981	0	61	64	64
June	5,015	0	60	65	65
July	5,048	0	60	71	71
August	5,053	0	61	65	65
September	5,094	0	60	57	57
October	5,128	0	60	58	58
November	5,134	0	60	58	58
December	5,168	0	60	58	58

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.

VAIL IS A CONSECUTIVE SYSTEM WITH TUCSON WATER. THE WATER IS RECEIVED CHLORINATED.

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

Vail Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	VAIL WATER COMPANY
ADEQ Public Water System Number:	AZ0410041
ADWR PCC Number:	91-000417.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	41	0
February	0	37	0
March	0	2	0
April	0	9	0
May	0	67	0
June	0	53	0
July	0	38	0
August	0	46	0
September	0	49	0
October	0	47	0
November	0	2	0
December	0	14	0
Total	0	405	0

Other (description):

None

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.

Vail Water Company
Annual Report
Property Taxes
12/31/19

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

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

	\$176,216
--	-----------

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): Pima
Name (owner or official) title: Christopher T. Volpe
Company name: Vail 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 NOT CURRENT AND PAID IN FULL.

RECEIVED
BY EMAIL

3/19/2020, 12:45 PM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

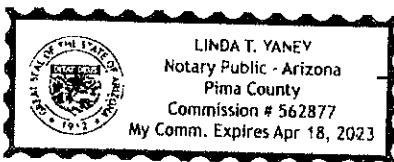
Christopher T. Volpe
signature of owner/official

520-571-1958
telephone no.

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

THIS 19th DAY OF Pima
(county name)
March 2020
(month) and (year)

MY COMMISSION EXPIRES 4-18-23
(date)



Linda T. Yaney
(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: Christopher T. Volpe
Company name: Vail 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 (\$)
\$3,722,438
(The amount in the box above includes
\$206,748 in sales taxes
billed or collected)

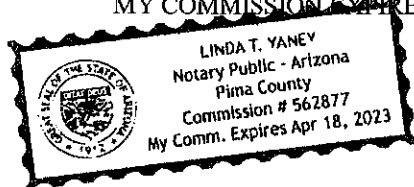
RECEIVED
BY EMAIL
3/19/2020, 12:45 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Christopher T. Volpe
signature of owner/official
520-571-1958
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Pima
THIS 19th DAY OF March 2020
(month) and (year)

MY COMMISSION EXPIRES

4-18-23
(date)



Linda T. Yaney
(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: Christopher T. Volpe
Company name: Vail 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 (\$)

\$2,296,746

(The amount in the box above includes

\$171,489 in sales taxes
billed or collected)

**RECEIVED
BY EMAIL**

3/19/2020, 12:45 PM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Christopher T. Volpe
signature of owner/official

520-571-1958
telephone no.

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

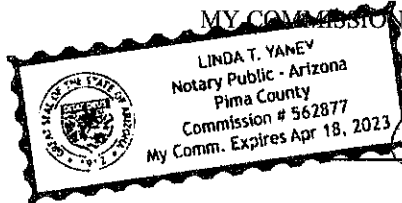
Pima
(county name)

THIS 19th

DAY OF March 2020
(month) and (year)

MY COMMISSION EXPIRES

4-18-23
(date)



Linda T. Yaney
(signature of notary public)

Self-pay Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Pima
Name (owner or official) title: Christopher T. Volpe
Company name: Vail Water Company

FOR THE YEAR ENDING: 12/31/19

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS INCURRED OR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

**RECEIVED
BY EMAIL**

3/19/2020, 12:45 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



signature of owner/official

520-571-1958

telephone no.

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

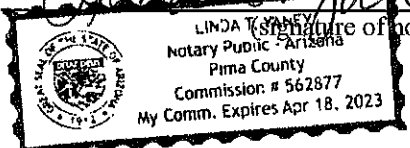
Pima
(county name)

THIS

10th DAY OF March 2020
(month) and (year)

MY COMMISSION EXPIRES

4-18-23
(date)



(signature of notary public)