

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: 12/31/18

RECEIVED

MAY 14 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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: 4/25/2019

5-16-19

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

1. For the Calendar Year Ended: 12/31/18

2. Address:

9532 E Riggs Road			
City: Sun Lakes	State: arizona	Zip Code: 85248	

3. Telephone Number:

480-895-9200

4. Date of Original Organization of Utility:

1963

5. Person to whom correspondence should be addressed concerning this report:

Name:

Steve Soriano

Telephone No. :

480-895-9200

Address:

9532 E Riggs Road			
City: Sun Lakes	State: Arizona	Zip Code: 85248	

Email:

Steve.Soriano@Robson.com

6. On-Site Manager:

Name:

Ed MacMeans

Telephone No. :

520-825-3423

Address:

40004 S Ridgeview Blvd			
City: Tucson	State: Arizona	Zip Code: 85739	

Email:

Ed.MacMeans@Robson.com

7. Ownership:

"C" Corporation

8. Counties Served:

Multiple Counties

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	396,891	47,558	53,717	390,732	167,343	223,389
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	2,138,264	928	850	2,138,342	1,732,900	405,442
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	191,731	1,079	1,079	191,731	74,330	117,401
311	Pumping Equipment	3,837,496	74,953	65,742	3,846,707	3,538,511	308,196
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	28,368	0	0	28,368	21,642	6,726
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	1,785,371	10,194	5,000	1,790,565	1,328,784	461,781
330.2	Pressure Tanks	322,890	0	0	322,890	256,194	66,696
331	Transmission and Distribution Mains	6,705,915	124,524	0	6,830,439	4,851,393	1,979,046
333	Services	2,103,324	106,464	0	2,209,788	1,519,250	690,538
334	Meters and Meter Installations	702,001	73,386	52,635	722,752	559,059	163,693
335	Hydrants	760,999	32,830	0	793,829	588,721	205,108
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	22,732	19,897
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	168,545	26,848	0	195,393	71,000	124,393
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	3,186	0	3,186	80	3,106
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	68,790	0	0	68,790	62,306	6,484
346	Communication Equipment	350,099	14,848	11,348	353,599	353,599	0
347	Miscellaneous Equipment	49,264	1,181	0	50,445	22,711	27,734
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$19,695,185	\$517,979	\$190,371	\$20,022,793	\$15,170,555	\$4,852,238

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.

Lago Del Oro Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/18

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	42,608	0	0	42,608	42,608	0.00%	0
304	Structures and Improvements	396,891	47,558	53,717	390,732	0	3.33%	13,114
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	2,138,264	928	850	2,138,342	0	3.33%	71,205
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	191,731	1,079	1,079	191,731	0	5.00%	9,587
311	Pumping Equipment	3,837,496	74,953	65,742	3,846,707	0	12.50%	480,263
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	28,368	0	0	28,368	0	20.00%	5,674
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	1,785,371	10,194	5,000	1,790,565	0	2.22%	39,693
330.2	Pressure Tanks	322,890	0	0	322,890	0	5.00%	16,145
331	Transmission and Distribution Mains	6,705,915	124,524	0	6,830,439	0	2.00%	135,364
333	Services	2,103,324	106,464	0	2,209,788	0	3.33%	71,813
334	Meters and Meter Installations	702,001	73,386	52,635	722,752	0	8.33%	59,341
335	Hydrants	760,999	32,830	0	793,829	0	2.00%	15,548
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	42,629	0	0	42,629	0	6.67%	2,843
340.1	Computer & Software	0	0	0	0	0	20.00%	0
341	Transportation Equipment	168,545	26,848	0	195,393	0	20.00%	36,394
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	3,186	0	3,186	0	5.00%	80
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	68,790	0	0	68,790	0	5.00%	3,440
346	Communication Equipment	350,099	14,848	11,348	353,599	9,070	10.00%	34,278
347	Miscellaneous Equipment	49,264	1,181	0	50,445	0	10.00%	4,985
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$19,695,185	\$517,979	\$190,371	\$20,022,793	\$51,678		\$999,765

Contribution(s) in Aid of Construction (Gross)	\$1,145,905
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,145,905
Times: Proposed Amortization Rate	5.00%
Amortization of CIAC	\$57,103

Less: Amortization of CIAC

DEPRECIATION EXPENSE

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.

Lago Del Oro Water Company
Annual Report
Balance Sheet Assets
12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash		\$160,611	\$209,194
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		244,045	231,231
142	Other Receivables		18,443	7,760
145	Accounts Receivable - Related Party		953	311
146	Notes Receivable from Associated Companies		2,522,485	2,843,876
151	Plant Material and Supplies		0	0
162	Prepayments		42,285	28,903
174	Miscellaneous Current and Accrued Assets		374,670	349,815
	Total Current and Accrued Assets		\$3,363,492	\$3,671,090
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$19,695,185	\$20,022,793
103	Property Held for Future Use		0	0
105	Construction Work in Progress		15,519	2,346
108	Accumulated Depreciation (enter as negative)*		(14,359,632)	(15,170,555)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$5,351,072	\$4,854,584
	Total Assets		\$8,714,564	\$8,525,674

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.

*Note these items feed automatically from AR3 UPIS Page 3

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 (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$66,681	\$92,111
232	Notes Payable (Current Portion)		393,060	393,060
233	Accounts Payable - Related Party		69	63
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		42,161	36,675
236	Accrued Taxes		300,359	138,057
237	Accrued Interest		4,975	3,454
242	Miscellaneous Current and Accrued Liabilities		69,256	61,602
	Total Current Liabilities		\$876,561	\$725,022
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$1,015,396	\$622,336
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		9,476	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,136,483	1,145,905
272	Less: Amortization of Contributions		(714,860)	(771,962)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$431,099	\$373,943
	Total Liabilities		\$2,323,056	\$1,721,301
	Capital Accounts			
201	Common Stock Issued		\$150,500	\$150,500
211	Other Paid-In Capital		4,322,625	4,322,625
215	Retained Earnings		1,918,383	2,331,248
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$6,391,508	\$6,804,373
	Total Liabilities and Capital		\$8,714,564	\$8,525,674

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.

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

Lago Del Oro Water Company
Annual Report
Water Comparative Income Statement
12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$2,796,418	\$2,917,408
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	21,604	21,760
	Total Revenues	\$2,818,022	\$2,939,168
	Operating Expenses		
601	Salaries and Wages	\$262,111	\$262,431
603	Salaries and Wages - Officers	\$31,640	\$30,426
604	Employee Pensions and Benefits	60,505	44,069
610	Purchased Water	0	0
615	Purchased Power	450,598	406,944
618	Chemicals	22,178	23,514
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	71,798	52,580
620.2	Office Supplies and Expense	68,664	65,344
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	385
632	Contractual Services - Accounting	9,200	9,000
633	Contractual Services - Legal	4,321	604
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	61,686	8,416
636	Contractual Services - Other	64,480	66,140
640	Rents	0	0
641	Rental of Building/Real Property	4,002	4,002
642	Rental of Equipment	76	0
650	Transportation Expenses	25,619	17,311
656	Insurance - Vehicles	6,942	15,625
657	Insurance - General Liability	34,905	33,727
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	40,700	40,700
670	Bad Debt Expense	9,562	11,404
675	Miscellaneous Expense	22,213	30,874
403	Depreciation Expense (From Schedule AR4)	942,662	927,789
407.5	Amortization - EADIT	10,110	0
408	Taxes Other Than Income	7,783	7,510
408.11	Property Taxes	143,018	132,229
408.12	Payroll Taxes	17,072	21,842
409	Income Taxes	112,779	271,989
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$2,484,624	\$2,484,855
	Operating Income / (Loss)	\$333,398	\$454,313
	Other Income / (Expense)		
419	Interest and Dividend Income	\$112,010	\$63,789
421	Non-Utility Income	17,349	11,147
426	Miscellaneous Non-Utility (Expense)	(319)	(1,791)
427	Interest (Expense)	(49,572)	(65,498)
	Total Other Income / (Expense)	\$79,468	\$7,647
	Net Income / (Loss)	\$412,866	\$461,960

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.

Lago Del Oro Water Company
Annual Report
Full time equivalent employees
12/31/18

Full time equivalent employees

	Direct Company	Outside service	Total
President	0.0000	0.0017	0.0017
Vice-president	0.0120	0.0000	0.0120
Manager	0.4338	0.1280	0.5618
Engineering Staff	0.0000	0.0000	0.0000
System Operator(s)	5.1165	0.0000	5.1165
Meter reader	0.5005	0.0000	0.5005
Customer Service	0.3650	0.0000	0.3650
Accounting	0.0000	0.4990	0.4990
Business Office	0.0000	0.0100	0.0100
Rates Department	0.0000	0.0000	0.0000
Administrative Staff	1.2156	0.0000	1.2156
Other	0.0000	0.0000	0.0000
Total	7.6434	0.6387	8.2821

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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Lago Del Oro Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/18

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	
Source of Loan	CB&T	APM	Wells Fargo	NA
ACC Decision No.	62845	62845	74450	NA
Reason for Loan	Plant Additions	Refinance	Plant Additions	NA
Dollar Amt. Issued	\$2,764,966	\$1,154,966	\$2,751,411	\$0
Amount Outstanding	\$0	\$0	\$1,015,396	\$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	\$49,572	NA
Current Year Principal	\$0	\$0	\$393,060	NA

Meter Deposit Balance at Test Year End:	\$36,675
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Meter Deposits Refunded During the Test Year:	\$10,336
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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	Meter Size (inches)	How measured:	Active
55-613452	75	560	804	16	Submersible	1963	6	Metered	Yes
55-613459	2	15	241	8	Submersible	1973	1	Metered	Yes
55-613454	150	350	800	16	Submersible	1963	8	Metered	Yes
55-613455	15	75	300	10	Submersible	1972	3	Metered	Yes
55-613456	30	120	450	8	Submersible	1973	3	Metered	Yes
55-613460	10	25	495	8	Submersible	1972	2	Metered	Yes
55-613457	8	120	225	8	Submersible	1972	3	Metered	Yes
55-613458	3	35	609	8	Submersible	1981	1	Metered	Yes
55-623397	15	70	310	10	Submersible	1971	2	Metered	Yes
55-518207	200	1,385	800	16	Submersible	1987	8	Metered	Yes
55-526451	200	1,000	804	16	Submersible	1990	8	Metered	Yes
55-547494	300	1,300	959	16	Submersible	1996	10	Metered	Yes
55-548874	200	1,100	1,100	16	Submersible	1995	10	Metered	Yes
55-548873	100	330	1,109	16	Submersible	1996	6	Metered	Yes
55-573651	150	490	1,200	20	Submersible	1999	6	Metered	Yes
55-206036	250	1,200	1,340	16	Submersible	2005	10	Metered	Yes

Name of system water delivered to: LAGO DEL ORO WATER CO	
ADWR PCC Number:	91-000558.0000
Source of water delivered to another system:	ground water
Name of system water received from: LAGO DEL ORO WATER CO	
ADWR PCC Number:	91-000558.0000
Source of water received:	ground water
Well registry 55# (55-XXXXXX):	na

Month	Water withdrawn (acre ft) ¹	Water sold (acre ft) ²	Water delivered (sold) to other systems (acre ft) ³	Water received (purchased) from other systems (acre ft) ⁴	Estimated authorized use (acre ft) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	153	140	0	3	0	\$28,972	200,451
February	134	129	0	3	0	27,876	182,320
March	155	137	0	2	0	32,750	229,128
April	268	235	8	0	0	45,226	330,553
May	304	275	9	0	0	46,196	363,616
June	328	299	1	0	0	48,671	391,824
July	277	260	1	0	0	41,886	332,236
August	275	244	0	0	0	41,960	333,741
September	273	278	0	7	0	43,789	347,756
October	207	186	8	0	0	33,405	245,685
November	203	158	4	0	0	32,013	238,432
December	142	121	8	0	0	27,854	187,791
Totals	2,718	2,462	38	18	1	\$450,598	3,383,532

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

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.

1 Water withdrawn - Total acre feet of water withdrawn from pumped sources.
2 Water sold - Total acre feet from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.
4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.
5 Estimated authorized use - Total estimated acre feet 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
Copper	80%
Black poly	20%
na	na
na	na
na	na

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	6,192
0.75	150
1	78
1.5	15
2	50
3	10
4	1
6	7
8	1
10	1
NA	NA
NA	NA
NA	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

FIRE HYDRANTS	
Type	Quantity
Standard *	398
Other	0

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
500,000	STEEL	2
250,000	STEEL	2
200,000	STEEL	1
100,000	STEEL	1
12,000	STEEL	3
NA	NA	NA

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
15,000	Steel	1
10,000	Steel	2
6,000	Steel	2
2,000	Steel	6
1,000	Steel	3
NA	NA	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. Copy and paste this sheet as many times as is necessary.

* 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)
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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

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. Copy and paste this sheet as many times as is necessary.

Lago Del Oro Water Company
Annual Report
Customer and Other Information
12/31/18

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	6,327	0	105	43	0
February	6,327	0	105	45	0
March	6,330	0	101	45	0
April	6,336	0	102	45	0
May	6,335	0	100	45	0
June	6,340	0	101	45	0
July	6,339	0	101	45	0
August	6,341	0	103	45	0
September	6,346	0	102	46	0
October	6,352	0	99	46	0
November	6,351	0	103	46	0
December	6,359	0	100	46	0

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?

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. Copy and paste this sheet as many times as is necessary.

Lago Del Oro Water Company
Annual Report
Property Taxes
12/31/18

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2018 was	\$137,250

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.

Lago Del Oro Water Company
Annual Report
Verification and Sworn Statement (Taxes)
12/31/18

Verification and Sworn Statement (Taxes)

RECEIVED

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

County of (county name):

Maricopa

Name (owner or official) title:

Steve Soriano / General Manager

Company name:

Lago Del Oro Water Company

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

APR 26 2019

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

FOR THE YEAR ENDING:

12/31/18

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.

signature of owner/official

480-895-9200

telephone no.

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

THIS

26th

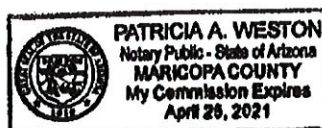
DAY OF

Maricopa
(county name)

April, 2019
(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:

Steve Soriano / General Manager

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: 12/31/18

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 (\$)

\$3,014,039

(The amount in the box above includes

\$196,017

in sales taxes
billed or collected)

Steve Soriano
signature of owner/official

480-895-9200

telephone no.

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

THIS

26th

DAY OF

Maricopa
(county name)

April, 2019
(month) and (year)

MY COMMISSION EXPIRES

4/25/21
(date)



Patricia A. Weston
(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:

Steve Soriano / General Manager

Company name:

Lago Del Oro Water Company

RECEIVED

APR 26 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$2,398,660

(The amount in the box above includes

\$163,980 in sales taxes

billed or collected)



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

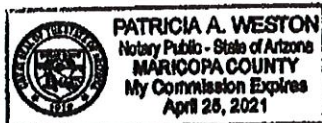
26th

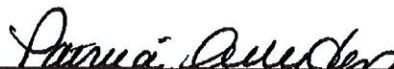
DAY OF

April 2019
(month) and (year)

MY COMMISSION EXPIRES

4/25/21
(date)




(signature of notary public)