

ANNUAL REPORT

Of

Company Name: Lagoon Estates Water Company, Inc.
2600 N. 44th St., Ste. 203

Mailing Address: Phoenix AZ
85008

RECEIVED BY EMAIL
4/29/2022 8:54 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Docket No.: W-01825A
For the Year Ended: 12/31/21

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@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: 7/20/2022

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Lagoon Estates Water Company, Inc.
A Class ☐ Utility

For the Calendar Year Ended: 12/31/21

Primary Address:

2600 N. 44TH ST, STE 203
City: PHOENIX State: Arizona Zip Code: 85008

Telephone Number:

602-275-0211

Date of Original Organization of Utility:

5/1/1977

Person to whom correspondence should be addressed concerning this report:

Name:

TERRY GEMAR

Telephone No. :

602-275-0211

Address:

2600 N 44TH ST, STE 203
City: PHOENIX State: Arizona Zip Code: 85008

Email:

SHERRILLFARMSI@MSN.COM
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On-Site Manager
Name:

KAREN BRERETON

Telephone No. :

928-768-3384

Address:

1795 E POPLAR DR
City: MOHAVE VALLEY State: Arizona Zip Code: 86440

Email:

KEBAZ7@CITLINK.NET
--

Owner
Name:

CHARLES B SHERRILL JR

Telephone No. :

602-275-5402

Address:

2600 N 44TH ST, STE 203
City: PHOENIX State: Arizona Zip Code: 85008

Email:

SHERRILLFARMSI@MSN.COM
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Regulatory and On-Site Manager Contact
Name:

KAREN BRERETON

Telephone No. :

928-768-3384

Address:

P.O. BOX 5581
City: MOHAVE VALLEY State: Arizona Zip Code: 86446

Email:

N/A

Management Contact
Name:

TERRY GEMAR

Telephone No. :

602-275-0211

Address:

2600 N 44TH ST, STE 203
City: PHOENIX State: Arizona Zip Code: 86446

Email:

SHERRILLFARMSI@MSN.COM
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Ownership:

"S" Corporation

Counties Served:

Mohave

Important changes during the year
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	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	N/A

	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	N/A

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	\$0	0	0	0
303	Land and Land Rights	28,262	0	\$0	28,262	0	28,262
304	Structures and Improvements	43,779	0	\$0	43,779	43,779	0
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	137,930	0	\$0	137,930	105,094	32,836
308	Infiltration Galleries	0	0	\$0	0	0	0
309	Supply Mains	0	0	\$0	0	0	0
310	Power Generation Equipment	0	0	\$0	0	0	0
311	Pumping Equipment	117,549	1,783	\$0	119,332	117,549	1,783
320	Water Treatment Equipment	0	0	\$0	0	0	0
320.1	Water Treatment Plants	25,452	0	\$0	25,452	0	25,452
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	76,020	0	\$0	76,020	69,265	6,755
330.1	Storage Tanks	0	0	\$0	0	0	0
330.2	Pressure Tanks	0	0	\$0	0	0	0
331	Transmission and Distribution Mains	241,640	0	\$0	241,640	240,653	987
333	Services	0	0	\$0	0	0	0
334	Meters and Meter Installations	58,777	2,499	\$0	61,276	61,276	0
335	Hydrants	448	0	\$0	448	0	448
336	Backflow Prevention Devices	0	0	\$0	0	0	0
339	Other Plant and Misc. Equipment	7,661	0	\$0	7,661	3,923	3,738
340	Office Furniture and Equipment	13,461	0	\$0	13,461	13,461	0
340.1	Computer & Software	0	0	\$0	0	0	0
341	Transportation Equipment	4,387	0	\$0	4,387	4,387	(0)
342	Stores Equipment	0	0	\$0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	\$0	0	0	0
344	Laboratory Equipment	0	0	\$0	0	0	0
345	Power Operated Equipment	0	0	\$0	0	0	0
346	Communication Equipment	0	0	\$0	0	0	0
347	Miscellaneous Equipment	0	0	\$0	0	0	0
348	Other Tangible Plant	0	0	\$0	0	0	0
	Totals	\$755,367	\$4,282	\$0	\$759,649	\$659,387	\$100,262

Lagoon Estates Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/21

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	0.00%	\$0
302	Franchises	0	0	0	0		0	0.00%	0
303	Land and Land Rights	28,262	0	0	28,262		28,262	0.00%	0
304	Structures and Improvements	43,779	0	0	43,779		43,779	0.00%	0
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	137,930	0	0	137,930		137,930	0.00%	0
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	117,549	1,783	0	119,332		119,332	2.00%	2,369
320	Water Treatment Equipment	0	0	0	0		0	0.00%	0
320.1	Water Treatment Plants	25,452	0	0	25,452		25,452	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0		0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0		0	0.00%	0
330	Distribution Reservoirs and Standpipes	76,020	0	0	76,020		76,020	2.20%	1,672
330.1	Storage Tanks	0	0	0	0		0	0.00%	0
330.2	Pressure Tanks	0	0	0	0		0	0.00%	0
331	Transmission and Distribution Mains	241,640	0	0	241,640		241,640	2.00%	4,833
333	Services	0	0	0	0		0	0.00%	0
334	Meters and Meter Installations	58,777	2,499	0	61,276		61,276	8.33%	5,000
335	Hydrants	448	0	0	448		448	0.00%	0
336	Backflow Prevention Devices	0	0	0	0		0	0.00%	0
339	Other Plant and Misc. Equipment	7,661	0	0	7,661		7,661	6.67%	511
340	Office Furniture and Equipment	13,461	0	0	13,461		13,461	6.67%	898
340.1	Computer & Software	0	0	0	0		0	0.00%	0
341	Transportation Equipment	4,387	0	0	4,387		4,387	0.00%	0
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	0	0	0	0		0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0		0	0.00%	0
348	Other Tangible Plant	0	0	0	0		0	0.00%	0
	Subtotal	\$755,367	\$4,282	\$0	\$759,649	\$0	\$759,649		\$15,283

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

2.01%

\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE **\$15,283**

Lagoon Estates Water Company, Inc.
Annual Report
Balance Sheet Assets
12/31/21

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current and Accrued Assets			
131	Cash		\$5,355	\$2,951
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		5,728	5,729
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$11,083	\$8,680
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$755,367	\$759,649
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(640,892)	(659,387)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$114,475	\$100,262
	Total Assets		\$125,558	\$108,942

*Note these items feed automatically from AR3 UPIS Page 4

Lagoon Estates Water Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current Liabilities			
231	Accounts Payable		\$1,074	\$1,308
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		29,437	34,064
236	Accrued Taxes		9,249	9,529
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$39,760	\$44,901
	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		35,209	35,079
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$35,209	\$35,079
	Total Liabilities		\$74,969	\$79,980
	Capital Accounts			
201	Common Stock Issued		\$75,215	\$75,215
211	Other Paid-In Capital		101,471	101,471
215	Retained Earnings		(126,097)	(147,724)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$50,589	\$28,962
	Total Liabilities and Capital		\$125,558	\$108,942

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

Lagoon Estates Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/21

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2021 - 12/31/2021	Last Year 01/01/2020 - 12/31/2020
	Operating Revenue		
461	Metered Water Revenue	\$177,916	\$175,833
460	Unmetered Water Revenue	0	
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues	4,910	7,402
474	Other Water Revenue	21,656	7,810
	Total Revenues	\$204,482	\$191,045
	Operating Expenses		
601	Salaries and Wages	\$84,069	\$88,912
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	11,299	12,501
618	Chemicals	749	1,612
620	Materials and Supplies	3,363	4,936
620.1	Repairs and Maintenance	6,613	13,985
620.2	Office Supplies and Expense	15,984	13,273
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting		
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	11,700	8,775
635	Contractual Services - Water Testing	3,445	3,656
636	Contractual Services - Other	0	
640	Rents	11,700	8,775
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	5,933	3,782
657	Insurance - General Liability	6,724	8,024
657.1	Insurance - Health and Life	4,888	4,888
665	Regulatory Commission Expense - Rate	0	
670	Bad Debt Expense		
675	Miscellaneous Expense	1,427	4,153
403	Depreciation Expense (From Schedule AR4)	15,283	16,787
408	Taxes Other Than Income	16,626	10,221
408.11	Property Taxes	8,800	8,883
409	Income Taxes	0	
427.1	Customer Security Deposit Interest	73	
	Total Operating Expenses	\$208,676	\$213,163
	Operating Income / (Loss)	(\$4,194)	(\$22,118)
	Other Income / (Expense)		
419	Interest and Dividend Income		\$44
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$44
	Net Income / (Loss)	(\$4,194)	(\$22,074)

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	1.0	0.0	0.0	1.0
Customer Service	1.0	0.0	0.0	1.0
Accounting	0.0	0.0	0.0	0.0
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	3.0	0.0	0.0	3.0

Lagoon Estates Water Company, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/21

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:	\$8,913
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Meter Deposits Refunded During the Test Year:	\$2,582
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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

[illegible]

Name of system water delivered to:	LAGOON ESTATES WATER CO		
ADWR PCC Number:		91-000332.0000	
Source of water delivered to another system			

Name of system water received from			
ADWR PCC Number:			
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 Expense6	Purchased Power (kWh)7
January	2,202,000.00	1,756,000.00	0.00	0.00	0.00	\$808	3,586
February	2,020,000.00	2,086,000.00	0.00	0.00	0.00	735	2,800
March	1,647,000.00	1,954,000.00	0.00	0.00	0.00	780	2,871
April	2,031,000.00	1,953,000.00	0.00	0.00	0.00	795	3,674
May	2,531,000.00	2,231,000.00	0.00	0.00	0.00	840	4,065
June	2,392,000.00	2,338,000.00	0.00	0.00	0.00	885	4,729
July	2,557,000.00	2,172,000.00	0.00	0.00	0.00	906	5,229
August	2,830,000.00	2,571,000.00	0.00	0.00	0.00	791	4,173
September	2,583,000.00	2,177,000.00	0.00	0.00	0.00	824	4,737
October	1,992,000.00	1,819,000.00	0.00	0.00	0.00	746	3,348
November	1,760,000.00	1,641,000.00	0.00	0.00	0.00	751	3,414
December	1,907,000.00	1,694,000.00	0.00	0.00	0.00	738	3,298
Totals	26,452,000.00	24,392,000.00	0.00	0.00	0.00	\$9,598	45,924

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

AUTHORIZED USE: - 1,152,000 FLUSHING (MAINS, SERVICE LINES, HYDRANTS) DRAINING, CLEANING TANKS, FIREFIGHTING. UN-AUTHORIZED USE: 908,000 WATER MAIN BREAKS, SERVICE LINE LEAKS, METER INACCURACIES AND WATER THEFT

- | | |
|---|--|
| 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. |

Well and Water Usage

[illegible]

Name of system water delivered to:	LAGOON ESTATES WATER CO		
ADWR PCC Number:	91-000332.0000		
Source of water delivered to another system			
Name of system water received from:			
ADWR PCC Number:			
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 ⁶	Purchased Power (kWh)7
January	225,000.00	220,000.00	0.00	0.00	0.00	\$54	282
February	288,000.00	278,000.00	0.00	0.00	0.00	55	303
March	204,000.00	204,000.00	0.00	0.00	0.00	56	318
April	206,000.00	198,000.00	0.00	0.00	0.00	53	288
May	258,000.00	248,000.00	0.00	0.00	0.00	60	355
June	247,000.00	247,000.00	0.00	0.00	0.00	60	352
July	306,000.00	298,000.00	0.00	0.00	0.00	70	454
August	363,000.00	356,000.00	0.00	0.00	0.00	59	391
September	272,000.00	266,000.00	0.00	0.00	0.00	68	487
October	243,000.00	237,000.00	0.00	0.00	0.00	58	377
November	211,000.00	201,000.00	0.00	0.00	0.00	63	432
December	184,000.00	184,000.00	0.00	0.00	0.00	55	338
Totals	3,007,000.00	2,937,000.00	0.00	0.00	0.00	\$711	4,377

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

AUTHORIZED USE: 65,000 FLUSHING (MAINS, SERVICE LINES, HYDRANTS) DRAINING CLEANING TANKS, FIREFIGHTING. UNAUTHORIZED USE: 5,000 WATER MAIN BREAKS, SERVICE LINE LEAKS, METER INACCURACIES, AND WATER THEFT.

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 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.

#VALUE!

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:	LAGOON ESTATES WATER CO UNIT 7		
ADEQ Public Water System Number:	AZ0408021		
ADWR PCC Number:	91-000317.0000		

MAINS

[illegible]

SERVICE LINES

Material	Percent of system	Year installed

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity

STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed

CUSTOMER METERS

[illegible]

FIRE HYDRANTS

Type	Quantity
Standard *	14
Other	2

PRESSURE/BLADDER TANKS

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
500	STEEL	2	1994

* 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:	
-----------------------------	--

STRUCTURES:	
--------------------	--

OTHER:	
---------------	--

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

ERC	
Method used:	

Water Utility Plant Description

Name of the System:		LAGOON ESTATES WATER CO UNIT 2
ADEQ Public Water System Number:		AZ0408046
ADWR PCC Number:		91-000332.0000

[illegible]

SERVICE LINES		
Material	Percent of system	Year installed
PVC	90%	
Black poly	10%	

BOOSTER PUMPS		
Horsepower	GPM	Quantity

[illegible]

CUSTOMER METERS

[illegible]

FIRE HYDRANTS

Type	Quantity
Standard *	
Other	2

PRESSURE/BLADDER TANKS

[illegible]

* 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:	
STRUCTURES:	
OTHER:	

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 days.
- (b) If no historical flow data are available, use:

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

ERC	
Method used:	

Customer and Other Information		
Name of the System:	LAGOON ESTATES WATER CO UNIT 7	
ADEQ Public Water System Number:	AZ0408021	
ADWR PCC Number:	91-000317.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	351				4
February	344				4
March	353				4
April	351				4
May	348				4
June	348				4
July	347				4
August	358				4
September	349				4
October	351				4
November	352				4
December	348				4

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.

YES - ITEMS LISTED IN FINANCE APPLICATION DOCKET NO. W-01825A-20-0270 - ESTIMATED COMPLETION 12/2023

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

Customer and Other Information	
Name of the System:	LAGOON ESTATES WATER CO UNIT 2
ADEQ Public Water System Number:	AZ0408046
ADWR PCC Number:	91-000332.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	39		6		
February	40		6		
March	39		6		
April	38		6		
May	41		6		
June	40		6		
July	41		6		
August	39		6		
September	40		6		
October	39		6		
November	40		6		
December	40				

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

Does the system have chlorination treatment? No

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)? Yes
If yes, which AMA? Phoenix AMA

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

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

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

ITEMS LISTED IN FINANCE APPLICATION DOCKET NO. W-1825A-20-0270 - ESTIMATED COMPLETION 12/2023

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

Lagoon Estates Water Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	LAGOON ESTATES WATER CO UNIT 7
ADEQ Public Water System Number:	AZ0408021
ADWR PCC Number:	91-000317.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	0	0
February	0	0	0
March	0	1	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	1	0
August	0	0	0
September	0	0	0
October	0	1	0
November	0	0	0
December	0	0	0
Total	0	3	0

Other (description):

N/A

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

Lagoon Estates Water Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	LAGOON ESTATES WATER CO UNIT 2
ADEQ Public Water System Number:	AZ0408046
ADWR PCC Number:	91-000332.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	0	
February	0	0	
March	0	1	
April	0	1	
May	0	2	
June	0	1	
July	0	0	
August	0	1	
September	0	1	
October	0	2	
November	0	0	
December	0	0	
Total	0	9	0

Other (description):

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

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

Amount of actual property taxes paid during Calendar Year 2021 was
--

\$8,800

If no property taxes paid, explain why.

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): Mohave
Name (owner or official) title: CHARLES B SHERRILL JR
Company name: Lagoon Estates Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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.

Charles B Sherrill Jr
signature of owner/official

602-275-0211
telephone no.

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

THIS

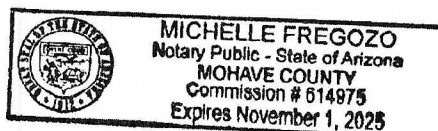
19th

DAY OF

Mohave
(county name)
April, 2022
(month) and (year)

MY COMMISSION EXPIRES

Nov. 1, 2025
(date)



Michelle Fregozo
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name): Mohave

Name (owner or official) title: CHARLES B SHERRILL JR

Company name: Lagoon Estates Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$204,482

(The amount in the box above includes

\$9,963

in sales taxes
billed or collected)

Charles B Sherrill Jr

signature of owner/official

602-275-0211

telephone no.

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

Mohave

(county name)

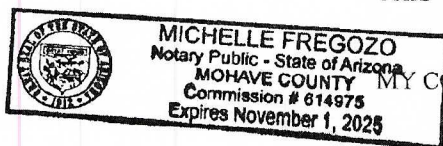
THIS

19th

DAY OF

April, 2022

(month) and (year)



MY COMMISSION EXPIRES

Nov 1, 2025
(date)

Michelle Fregozo

(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):

Mohave

Name (owner or official) title:

CHARLES B SHERRILL JR

Company name:

Lagoon Estates Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$187,879

(The amount in the box above includes

\$9,963 in sales taxes

billed or collected)

Charles B Sherrill Jr
signature of owner/official

602-275-0211

telephone no.

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

Mohave

(county name)

THIS

19th

DAY OF

April, 2022

(month) and (year)

MY COMMISSION EXPIRES

Nov. 1, 2025

(date)



Michelle Fregozo

(signature of notary public)

Lagoon Estates Water Company, Inc.
Annual Report
for Income Tax Statement of Certification
12/31/21

for Income Tax Statement of Certification

Verification:

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

County of (county name): Mohave
Name (owner or official) title: CHARLES B SHERRILL JR
Company name: Lagoon Estates Water Company, Inc.

FOR THE YEAR ENDING: 12/31/21

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 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.

Charles B Sherrill Jr
signature of owner/official

602-275-0211
telephone no.

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

Mohave
(county name)

THIS 19th DAY OF April, 2022
(month) and (year)

MY COMMISSION EXPIRES Nov. 1, 2025
(date)



Michelle Fregozo
(signature of notary public)

WATER COMPANY PLANT DESCRIPTION

Name of the System: **LAGOON ESTATES WA**
ADEQ Public Water System Number: **AZ0408046**
ADWR PCC Number: **91-000332.0000**

WELLS											
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
55-618836	7.5	150	180	8	SUB	1980			3	Metered	YES
55-618837	7.5	150	210	8	SUB	1980			3	Metered	YES

* Arizona Department of Water Resources Identification Number

SERVICE LINES		
Material	Percent of system	Year installed
PVC	90%	
Black poly	10%	

BOOSTER PUMPS		
Horsepower	GPM	Quantity

FIRE HYDRANTS	
Quantity Standard*	Quantity Other
Standard *	
Other	2

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5000	STEEL	1	1996

* - 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 COMPANY PLANT DESCRIPTION (Continued)	
1	2
3	4
5	6
7	8
9	10
11	12
13	14
15	16
17	18
19	20
21	22
23	24
25	26
27	28
29	30
31	32
33	34
35	36
37	38
39	40
41	42
43	44
45	46
47	48
49	50
51	52
53	54
55	56
57	58
59	60
61	62
63	64
65	66
67	68
69	70
71	72
73	74
75	76
77	78
79	80
81	82
83	84
85	86
87	88
89	90
91	92
93	94
95	96
97	98
99	100

[illegible]

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

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:	
--------	--

WATER USE DATA SHEET

Name of the System:		LAGOON ESTATES WATER CO UNIT 2					
ADEQ Public Water System Number:		AZ0408046					
ADWR PCC Number:		91-000332.0000					
(12 Months of Test Year)	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	225,000.000	220,000.000	0.000	0.000	0.000	\$54	282
February	288,000.000	278,000.000	0.000	0.000	0.000	55	303
March	204,000.000	204,000.000	0.000	0.000	0.000	56	318
April	206,000.000	198,000.000	0.000	0.000	0.000	53	288
May	258,000.000	248,000.000	0.000	0.000	0.000	60	355
June	247,000.000	247,000.000	0.000	0.000	0.000	60	352
July	306,000.000	298,000.000	0.000	0.000	0.000	70	454
August	363,000.000	356,000.000	0.000	0.000	0.000	59	391
September	272,000.000	266,000.000	0.000	0.000	0.000	68	487
October	243,000.000	237,000.000	0.000	0.000	0.000	58	377
November	211,000.000	201,000.000	0.000	0.000	0.000	63	432
December	184,000.000	184,000.000	0.000	0.000	0.000	55	338
TOTAL	3,007,000.000	2,937,000.000	0.000	0.000	0.000	\$711	4,377

If yes, are the fire flow requirements?

0 GPM for

0 hrs.

Does the system have chlorination treatment?

No

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

Yes

If yes, which AMA?

Phoenix AMA

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

0

If yes, provide the GPCPD amount:

0

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

AUTHORIZED USE: 65,000 FLUSHING (MAINS, SERVICE LLINES, HYDRANTS) DRAINING CLEANING TANKS, FIREFIGHTING. UNAUTHORIZED USE: 5,000 WATER MAIN BREAKS, SERVICE LINE LEAKS, METER INACCURACIES, AND WATER THEFT.

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

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.

Lagoon Estates Water Company, Inc.
Short Form Rate Application
WATER USE DATA SHEET
Test Year Ended 12/31/21

Schedule 5b
Short Form Rate Application Page No. 25

CUSTOMER DATA SHEET

Name of the System: LAGOON ESTATES WATER CO UNIT 2
ADEQ Public Water System Number: AZ0408046
ADWR PCC Number: 91-000332.0000

Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	39		6		
February	40		6		
March	39		6		
April	38		6		
May	41		6		
June	40		6		
July	41		6		
August	39		6		
September	40		6		
October	39		6		
November	40		6		
December	40				