

fel

RECEIVED
UTILITIES DIVISION
2020 MAY -1 A 11:32
ARIZONA CORPORATION
COMMISSION

ANNUAL REPORT

Of

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

Mailing Address: Phoenix AZ
85008

Docket No.: W-01825A
For the Year Ended: 12/31/19

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: 4/29/2020

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

For the Calendar Year Ended: 12/31/19

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: 1/1/1997

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

Name: KAREN BRERETON
Telephone No. : 928-768-3384
Address: P.O. BOX 5581
City: MOHAVE VALLEY State: Arizona Zip Code: 86446
Email: SHERRILLFARMSI@MSN.COM

Name: N/A
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name: N/A
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name: N/A
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership: "S" Corporation

Counties Served: Mohave

Important changes during the year
--

	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
--	-----------

	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
--	----

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	43,629	150
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	105,304	0	0	105,304	96,451	8,853
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	0	0	117,549	117,549	0
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	21,241	4,211	0	25,452	20,517	4,935
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	64,377	11,643	0	76,020	65,921	10,099
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	241,640	0	0	241,640	230,987	10,653
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	53,619	3,408	0	57,027	56,594	433
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	2,901	4,760
340	Office Furniture and Equipment	12,810	651	0	13,461	13,035	426
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	4,387	0	0	4,387	0	4,387
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	\$701,077	\$19,913	\$0	\$720,990	\$647,584	\$73,406

Lagoon Estates Water Company, Inc.
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	28,262	0	0	28,262	\$0	28,262	0.00%	0
304	Structures and Improvements	43,779	0	0	43,779	\$0	43,779	3.33%	1,458
305	Collecting & Improving Reservoirs	0	0	0	0	\$0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	\$0	0	0.00%	0
307	Wells and Springs	105,304	0	0	105,304	\$0	105,304	3.33%	3,507
308	Infiltration Galleries	0	0	0	0	\$0	0	0.00%	0
309	Supply Mains	0	0	0	0	\$0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	\$0	0	0.00%	0
311	Pumping Equipment	117,549	0	0	117,549	\$0	117,549	0.00%	0
320	Water Treatment Equipment	0	0	0	0	\$0	0	10.00%	0
320.1	Water Treatment Plants	0	0	0	0	\$0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	\$0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	21,241	4,211	0	25,452	\$0	25,452	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	\$0	0	0.00%	0
330.1	Storage Tanks	64,377	11,643	0	76,020	\$0	76,020	2.20%	1,544
330.2	Pressure Tanks	0	0	0	0	\$0	0	0.00%	0
331	Transmission and Distribution Mains	241,640	0	0	241,640	\$0	241,640	2.00%	4,833
333	Services	0	0	0	0	\$0	0	0.00%	0
334	Meters and Meter Installations	53,619	3,408	0	57,027	\$0	57,027	8.33%	4,608
335	Hydrants	448	0	0	448	\$0	448	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	\$0	0	0.00%	0
339	Other Plant and Misc. Equipment	7,661	0	0	7,661	\$0	7,661	6.67%	511
340	Office Furniture and Equipment	12,810	651	0	13,461	\$0	13,461	6.67%	225
340.1	Computer & Software	0	0	0	0	\$0	0	0.00%	0
341	Transportation Equipment	4,387	0	0	4,387	\$0	4,387	0.00%	0
342	Stores Equipment	0	0	0	0	\$0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	\$0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	\$0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	\$0	0	0.00%	0
346	Communication Equipment	0	0	0	0	\$0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	\$0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	\$0	0	0.00%	0
	Subtotal	\$701,077	\$19,913	\$0	\$720,990	\$0	\$720,990		\$16,686

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

\$0

2.31%

\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE **\$16,686**

Lagoon Estates 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		\$40,887	\$15,633
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies		5,729	5,729
162	Prepayments			
174	Miscellaneous Current and Accrued Assets		(948)	
	Total Current and Accrued Assets		\$45,668	\$21,362
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$701,077	\$720,990
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(564,186)	(647,584)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$136,891	\$73,406
	Total Assets		\$182,559	\$94,768

*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 (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities			
231	Accounts Payable		\$1	\$1
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		26,515	27,335
236	Accrued Taxes		5,615	5,363
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities		138	138
	Total Current Liabilities		\$32,269	\$32,838
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)			
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		35,423	35,339
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction			
272	Less: Amortization of Contributions			
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$35,423	\$35,339
	Total Liabilities		\$67,692	\$68,176
	Capital Accounts			
201	Common Stock Issued		\$75,215	\$75,215
211	Other Paid-In Capital		101,471	101,471
215	Retained Earnings		(61,818)	(150,094)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$114,868	\$26,592
	Total Liabilities and Capital		\$182,560	\$94,768

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
12/31/19

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	\$188,850	\$198,925
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	7,069	8,510
474	Other Water Revenue	14,591	1,417
	Total Revenues	\$210,510	\$208,852
	Operating Expenses		
601	Salaries and Wages	\$86,116	\$77,808
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	13,098	12,641
618	Chemicals	445	1,832
620	Materials and Supplies	10,884	0
620.1	Repairs and Maintenance	12,379	14,648
620.2	Office Supplies and Expense	14,522	13,889
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	11,625	10,400
635	Contractual Services - Water Testing	4,020	6,175
636	Contractual Services - Other	0	0
640	Rents	11,625	10,400
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	4,342	2,744
657	Insurance - General Liability	8,628	7,129
657.1	Insurance - Health and Life	10,685	7,924
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	6,295	7,201
403	Depreciation Expense (From Schedule AR4)	16,686	32,748
408	Taxes Other Than Income	10,279	10,951
408.11	Property Taxes	9,080	9,188
409	Income Taxes		
427.1	Customer Security Deposit Interest		68
	Total Operating Expenses	\$230,710	\$225,746
	Operating Income / (Loss)	(\$20,199)	(\$16,894)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	61	0
	Total Other Income / (Expense)	\$61	\$0
	Net Income / (Loss)	(\$20,138)	(\$16,894)

Lagoon Estates 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	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	0.0	0.0	0.0	0.0
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	2.0	0.0	0.0	2.0

Lagoon Estates 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	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amt. Issued	N/A	N/A	N/A	N/A
Amount Outstanding	N/A	N/A	N/A	N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	N/A	N/A	N/A	N/A
Current Year Principal	N/A	N/A	N/A	N/A

Meter Deposit Balance at Test Year End:	\$4,766
---	---------

Meter Deposits Refunded During the Test Year:	\$333
---	-------

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:	
ADWR PCC Number:	
Source of water delivered to another system	

Name of system water received from:		
ADWR PCC Number:		
Source of water received		
Well registry 55# (55-XXXXXXX):		

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)
January	1,419,000.00	1,298,000.00	0.00	0.00	121,000.00	\$531	2,593
February	1,236,000.00	1,198,000.00	0.00	0.00	38,000.00	539	2,530
March	1,530,000.00	1,291,000.00	0.00	0.00	122,000.00	753	2,879
April	1,786,000.00	1,708,000.00	0.00	0.00	144,000.00	932	5,646
May	2,352,000.00	2,098,000.00	0.00	0.00	224,000.00	793	3,744
June	2,234,000.00	2,187,000.00	0.00	0.00	123,000.00	979	6,314
July	5,087,000.00	4,815,000.00	0.00	0.00	100,000.00	1,696	16,390
August	2,145,000.00	2,055,000.00	0.00	0.00	123,000.00	937	5,980
September	1,964,000.00	1,794,000.00	0.00	0.00	141,000.00	932	5,471
October	1,866,000.00	1,741,000.00	0.00	0.00	138,000.00	863	4,631
November	1,933,000.00	1,720,000.00	0.00	0.00	108,000.00	1,090	7,707
December	1,736,000.00	1,676,000.00	0.00	0.00	275,000.00	1,089	7,624
Totals	25,288,000.00	23,581,000.00	0.00	0.00	1,657,000.00	\$11,135	71,509

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

	N/A
--	-----

- | | |
|---|---|
| 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:			
ADWR PCC Number:			
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	160,000.00	146,000.00			50,000.00	\$64	371
February	220,000.00	171,000.00			61,000.00	59	327
March	218,000.00	209,000.00			59,000.00	50	240
April	290,000.00	249,000.00			50,000.00	55	289
May	396,000.00	289,000.00			60,000.00	66	394
June	317,000.00	266,000.00			60,000.00	69	422
July	441,000.00	359,000.00			59,000.00	66	388
August	346,000.00	264,000.00			54,000.00	72	450
September	308,000.00	233,000.00			53,000.00	64	370
October	283,000.00	232,000.00			50,000.00	58	315
November	223,000.00	185,000.00			50,000.00	58	318
December	266,000.00	201,000.00			58,000.00	48	225
Totals	3,468,000.00	2,804,000.00	0.00	0.00	664,000.00	\$731	4,109

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

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
------------------	----------------

[illegible][illegible]

SERVICE LINES		
Material	Percent of system	Year installed

BOOSTER PUMPS		
Horsepower	GPM	Quantity

FIRE HYDRANTS	
Type	Quantity
Standard *	14
Other	2

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed

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)
--

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

TREATMENT EQUIPMENT:	GAS CHLORINATOR SYSTEM & CL2 SAFETY GAS DETECTOR /ALARM
STRUCTURES:	SHOP & SHED
OTHER:	GENERATOR - GAS (NATURAL GAS)

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	0
Method used:	Other

[illegible][illegible]

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

BOOSTER PUMPS		
Horsepower	GPM	Quantity

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	2

[illegible]

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	STEEL	1	1996

Page 12b

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	ARSENIC BLENDING STATIC MIXER : WELL TIMING CLOCK STARTER
STRUCTURES:	SHED
OTHER:	GENERATOR DIESEL, 7.5 HP SUBMERSIBLE PUMP MOTOR (INVENTORY), DISINFECTION LIQUID METERING EQUIPMENT (NOT CONTINUOUS)

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:

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

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	337	0	0	0	5
February	335	0	0	0	5
March	333	0	0	0	5
April	345	0	0	0	5
May	342	0	0	0	5
June	341	0	0	0	5
July	343	0	0	0	5
August	345	0	0	0	6
September	347	0	0	0	5
October	338	0	0	0	5
November	344	0	0	0	5
December	349	0	0	0	5

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.

2 - 5,000 HYDROPNEUMATIC PRESSURE TANKS

* 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				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	40				3
February	41				3
March	43				3
April	41				3
May	41				3
June	41				3
July	42				3
August	40				3
September	47				3
October	43				3
November	41				3
December	38				3

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? No
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.

1 - 5,000 GALLON HYDROPNEUMATIC PRESSURE TANK

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

Lagoon Estates Water Company, Inc.
Annual Report
Utility Shutoffs / Disconnects
12/31/19

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	3	0
February	0	2	0
March	0	3	0
April	0	3	0
May	0	2	0
June	0	6	0
July	0	4	0
August	0	4	0
September	0	2	0
October	0	2	0
November	0	6	0
December	0	4	0
Total	0	41	0

Other (description):

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.

Lagoon Estates Water Company, Inc.
Annual Report
Utility Shutoffs / Disconnects
12/31/19

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		1	
February		2	
March		1	
April		0	
May		1	
June		1	
July		2	
August		1	
September		1	
October		2	
November		1	
December		0	
Total	0	13	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.

Lagoon Estates Water Company, Inc.
Annual Report
Property Taxes
12/31/19

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

Amount of actual property taxes paid during Calendar Year 2019 was	\$9,080
--	---------

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): Mohave
Name (owner or official) title: STANLEY MILLER, CONTROLLER
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: 12/31/19

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
UTILITIES DIVISION
2020 MAY -1 A 11:33
ARIZONA CORPORATION
COMMISSION


signature of owner/official

602-275-0211
telephone no.

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

THIS

30th

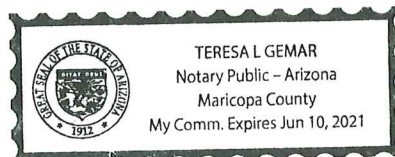
DAY OF

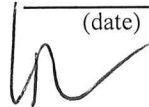
MARICOPA
(county name)

April 2020
(month) and (year)

MY COMMISSION EXPIRES

6/10/2021
(date)




(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: STANLEY MILLER, CONTROLLER
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: 12/31/19

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 (\$)

\$210,510

(The amount in the box above includes

\$10,280 in sales taxes
billed or collected)

RECEIVED
UTILITIES DIVISION
2020 MAY -1 A 11:33
ARIZONA CORPORATION
COMMISSION

signature of owner/official

602-275-0211

telephone no.

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

MARICOPA

(county name)

THIS

30th

DAY OF

April 2020
(month) and (year)

MY COMMISSION EXPIRES

4/30/2020
(date)



(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: STANLEY MILLER, CONTROLLER
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: 12/31/19

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 (\$)

\$210,510

(The amount in the box above includes

\$10,280 in sales taxes

billed or collected)

RECEIVED
UTILITIES DIVISION
2020 MAY -1 A 11:33
ARIZONA CORPORATION
COMMISSION

[Signature]
signature of owner/official

602-275-0211

telephone no.

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

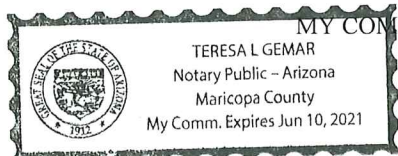
Maricopa
(county name)

THIS

30th

DAY OF

April 2020
(month) and (year)



MY COMMISSION EXPIRES

4/30/2020
(date)

[Signature]
(signature of notary public)