

ANNUAL REPORT

Of

Company Name: Las Quintas Serenas Water Company
PO Box 68

Mailing Address: Sahuarita AZ
85629

Docket No.: W-01583A
For the Year Ended: 12/31/20

RECEIVED
UTILITIES DIVISION
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ARIZONA CORPORATION
COMMISSION

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: 3/30/2021

CALVERT & IVESTER, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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TUCSON, AZ 85712

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Email: sara@calvertandivester.com

Board of Directors
Las Quintas Serenas Water Co., Inc.
Green Valley, Arizona

We have prepared from information provided to us by management the accompanying balance sheet of Las Quintas Serenas Water Co., Inc. as of September 30, 2020 and 2019 and the related water comparative income statement and supplementary information contained in the schedule of utility plant in service, schedule of depreciation expense for the current year and schedule of long-term debt for the year then ended included in the accompanying prescribed form, Water Utility Annual Report. These financial statements were not subjected to any audit, review or compilation standards nor did we verify the accuracy or completeness of information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission which differ from a presentation in accordance with generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

We are not independent with respect to Las Quintas Serenas Water Co., Inc.

Calvert & Ivester, PLLC
Tucson, AZ

April 1, 2021

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Las Quintas Serenas Water Company
A Class ☒ Utility

For the Calendar Year Ended: 12/31/20

Primary Address: PO Box 68
City: Sahuarita State: Arizona Zip Code: 85629

Telephone Number: (520) 625-8040

Date of Original Organization of Utility: 6/25/1957

Person to whom correspondence should be addressed concerning this report:

Name: Omar Mejia
Telephone No.: (520) 625-8040
Address: 75 W Calle de Las Tiendas Suite 115B
City: Green Valley State: Arizona Zip Code: 85614
Email: omar@lqswater.com

On-Site Manager
Name: Omar Mejia
Telephone No.: (520) 625-8040
Address: 75 W Calle de Las Tiendas Suite 115B
City: Green Valley State: Arizona Zip Code: 85614
Email: omar@lqswater.com

NA
Name: 0
Telephone No.: 0
Address: 0
City: 0 State: arizona Zip Code: 0
Email: 0

NA
Name: 0
Telephone No.: 0
Address: 0
City: 0 State: Arizona Zip Code: 0
Email: 0

NA
Name: 0
Telephone No.: 0
Address: 0
City: 0 State: Arizona Zip Code: 0
Email: 0

Ownership: "C" Corporation

Counties Served: Pima

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Las Quintas Serenas Water Company

Important changes during the year	
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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.
	N/A

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.
	N/A

Las Quintas Serenas Water Company
Annual Report
Utility Plant in Service (Water)
9/30/20

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	217	0	0	217	0	217
304	Structures and Improvements	241,697	0	0	241,697	98,463	143,234
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	458,559	0	0	458,559	278,890	179,669
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	475,893	0	0	475,893	475,893	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	707,521	159,925	0	867,446	285,834	581,612
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	630,761	0	0	630,761	232,145	398,616
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	924,616	0	0	924,616	747,961	176,655
333	Services	2,427	0	0	2,427	1,680	747
334	Meters and Meter Installations	118,470	14,256	0	132,726	119,064	13,663
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	1,363	0	0	1,363	1,363	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	34,025	0	0	34,025	34,025	(0)
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	30,792	0	0	30,792	30,792	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	50,620	0	0	50,620	12,721	37,899
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	9,966	0	0	9,966	9,966	0
348	Other Tangible Plant	222,769	0	0	222,769	89,016	133,753
	Totals	\$3,909,696	\$174,181	\$0	\$4,083,877	\$2,417,813	\$1,666,064

Las Quintas Serenas Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
9/30/20

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	217	0	0	217	217	0	0.00%	0
304	Structures and Improvements	241,697	0	0	241,697	0	241,697	3.33%	8,049
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	458,559	0	0	458,559	0	458,559	3.33%	15,270
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	475,893	0	0	475,893	475,893	0	12.50%	0
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	707,521	159,925	0	867,446	0	867,446	3.33%	26,223
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	630,761	0	0	630,761	0	630,761	2.22%	14,003
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	924,616	0	0	924,616	0	924,616	2.00%	18,492
333	Services	2,427	0	0	2,427	0	2,427	3.33%	81
334	Meters and Meter Installations	118,470	14,256	0	132,726	118,470	14,256	8.33%	594
335	Hydrants	0	0	0	0	0	0	2.00%	0
336	Backflow Prevention Devices	1,363	0	0	1,363	1,363	0	6.67%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	34,025	0	0	34,025	34,025	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	30,792	0	0	30,792	30,792	0	20.00%	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	50,620	0	0	50,620	0	50,620	5.00%	2,531
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	9,966	0	0	9,966	9,966	0	10.00%	0
348	Other Tangible Plant	222,769	0	0	222,769	0	222,769	3.33%	7,418
	Subtotal	\$3,909,696	\$174,181	\$0	\$4,083,877	\$670,726	\$3,413,151		\$92,661

Contribution(s) in Aid of Construction (Gross)	\$690,847
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	359,991
Amortizable Contribution(s)	\$330,856
Times: Proposed Amortization Rate	5.00%
Amortization of CIAC	\$16,543

Less: Amortization of CIAC \$16,543

DEPRECIATION EXPENSE \$76,118

Las Quintas Serenas Water Company
Annual Report
Balance Sheet Assets
9/30/20

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (10/1/2019)	Balance at End of Year (9/30/2020)
Account No.	Current and Accrued Assets			
131	Cash		\$258,543	\$357,871
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		21,255	23,160
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		5,298	2,923
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		318,863	312,614
	Total Current and Accrued Assets		\$603,958	\$696,567
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$3,909,695	\$4,083,877
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(2,325,152)	(2,417,813)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,584,544	\$1,666,064
	Total Assets		\$2,188,502	\$2,362,632

*Note these items feed automatically from AR3 UPIS Page 4

Las Quintas Serenas Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (10/1/2019)	Balance at End of Year (9/30/2020)
Account No.	Current Liabilities			
231	Accounts Payable		\$200	\$200
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		56,702	56,702
235	Customer Deposits		34,513	56,948
236	Accrued Taxes		34,918	38,361
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$126,332	\$152,211
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$1,021,487	\$904,538
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		690,847	690,847
272	Less: Amortization of Contributions		(633,463)	(650,006)
281	Accumulated Deferred Income Tax		3,463	71,492
	Total Deferred Credits		\$60,846	\$112,333
	Total Liabilities		\$1,208,665	\$1,169,082
	Capital Accounts			
201	Common Stock Issued		\$2,550	\$2,550
211	Other Paid-In Capital		5,180	5,180
215	Retained Earnings		972,107	1,185,823
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$979,837	\$1,193,553
	Total Liabilities and Capital		\$2,188,502	\$2,362,634

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

Las Quintas Serenas Water Company
Annual Report
Water Comparative Income Statement
9/30/20

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 10/01/2019 - 9/30/2020	Last Year 10/01/2018 - 9/30/2019
	Operating Revenue		
461	Metered Water Revenue	\$705,674	\$645,149
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	196,779	79,076
	Total Revenues	\$902,453	\$724,225
	Operating Expenses		
601	Salaries and Wages	\$190,111	\$177,927
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	80,390	83,353
618	Chemicals	3,607	2,148
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	48,866	51,987
620.2	Office Supplies and Expense	16,608	16,008
630	Contractual Services	2,224	1,275
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	7,750	8,330
633	Contractual Services - Legal	2,000	4,573
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	8,460	5,570
636	Contractual Services - Other	0	2,090
640	Rents	0	0
641	Rental of Building/Real Property	11,791	11,791
642	Rental of Equipment	0	2,974
650	Transportation Expenses	17,696	15,041
657	Insurance - General Liability	5,379	5,340
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	38,162	21,326
403	Depreciation Expense (From Schedule AR4)	76,118	85,483
408	Taxes Other Than Income	17,697	18,330
408.11	Property Taxes	36,231	36,393
409	Income Taxes	1,531	50
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$564,621	\$549,989
	Operating Income / (Loss)	\$337,832	\$174,236
	Other Income / (Expense)		
419	Interest and Dividend Income	\$6,313	\$6,290
421	Non-Utility Income	1,522	1,960
426	Miscellaneous Non-Utility (Expense)	(68,029)	(36,608)
427	Interest (Expense)	(63,922)	(71,376)
	Total Other Income / (Expense)	(\$124,116)	(\$99,734)
	Net Income / (Loss)	\$213,716	\$74,502

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	1.0	0.0	0.0	1.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	2.0	0.0	0.0	2.0
Meter reader	0.0	0.0	0.0	0.0
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	1.0	0.0	0.0	1.0
Other	0.0	0.0	0.0	0.0
Total	4.0	0.0	0.0	4.0

Las Quintas Serenas Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/20

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	4/1/2007	N/A	N/A	N/A
Source of Loan	Water Infrastructure	0	0	0
ACC Decision No.	69380 and 68718	0	0	0
Reason for Loan	Arsenic Treatment	0	0	0
Dollar Amt. Issued	\$1,981,160	\$0	\$0	\$0
Amount Outstanding	\$904,538	\$0	\$0	\$0
Date of Maturity	2/1/2027	1/0/1900	1/0/1900	1/0/1900
Interest Rate	6.60%	0.00%	0.00%	0.00%
Current Year Interest	\$63,922	\$0	\$0	\$0
Current Year Principal	\$116,949	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$56,700
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Meter Deposits Refunded During the Test Year:	\$4,851
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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.

Las Quintas Serenas Water Company
Annual Report
Well and Water Usage
12/31/20

[illegible]

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:	NA	
ADWR PCC Number:		#N/A
Source of water received	NA	
Well registry 55# (55-XXXXXX):	NA	

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	8,146,000.00	7,820,000.00	0.00	0.00	22,000.00	\$6,405	30,734
February	7,820,000.00	6,843,000.00	0.00	0.00	400.00	4,956	33,724
March	13,360,000.00	6,517,000.00	0.00	0.00	13,130.00	\$8,069	48,623
April	24,439,000.00	11,405,000.00	0.00	0.00	0.00	8,121	62,056
May	16,944,000.00	13,034,000.00	0.00	0.00	22,400.00	4,403	28,697
June	22,484,000.00	14,989,000.00	0.00	0.00	12,900.00	7,349	68,773
July	16,944,000.00	20,203,000.00	0.00	0.00	0.00	8,580	69,932
August	16,944,000.00	15,641,000.00	0.00	0.00	34,000.00	\$8,623	64,812
September	17,596,000.00	14,663,000.00	0.00	0.00	800.00	8,224	58,492
October	14,012,000.00	16,618,000.00	0.00	0.00	0.00	8,899	57,852
November	12,057,000.00	12,382,000.00	0.00	0.00	0.00	7,469	50,333
December	12,708,000.00	11,405,000.00	0.00	0.00	0.00	5,139	42,872
Totals	183,454,000.00	151,520,000.00	0.00	0.00	105,630.00	\$86,237	616,900

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

None

- 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:	LAS QUINTAS SERENAS W.C.		
ADEQ Public Water System Number:	AZ0410064		
ADWR PCC Number:	91-000427.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Transite	250
3.00	Transite	240
4.00	Transite	19,840
6.00	Transite	32,487
8.00	Transite	2,760
10.00	Transite	420
12.00	Transite	1,320
2.00	Plastic	1,550
4.00	Plastic	5,100
6.00	Plastic	25,158
8.00	Plastic	13,180
12.00	Plastic	1,950
6.00	Ductile Iron	575
0.00	NA	0

SERVICE LINES		
Material	Percent of system	Year installed
na	0%	na
na	0%	na
na	0%	na
na	0%	na
na	0%	na

BOOSTER PUMPS		
Horsepower	GPM	Quantity
25	200	4
0	0	0
0	0	0
0	0	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
30,000	Steel	1	1970
60,000	Steel	1	1985
400,000	Steel	1	2007
0	na	0	na
0	na	0	na
0	na	0	na

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	823	60%	60%
0.75	204	1%	1%
1	17	6%	6%
1.5	7	42%	42%
2	2	100%	100%
4	2	100%	100%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%
na	0	0%	0%

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
1,000	Steel	2	2008
2,500	Steel	1	1997
3,000	Steel	4	1984
0	na	0	na
0	na	0	na
0	na	0	na

* 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:	1,276 gpm Arsenic Treatment facility consisting of 2 each 10' diameter absorption vessels o- 12'0" x 16'4" backwash/rinsewater tank at Well#6 site
STRUCTURES:	Steel Portable shed 8'x20' at well #5 site and a steel portable shed 8'x40' at well #7 site.
OTHER:	N/A

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

Method used:

Las Quintas Serenas Water Company
Annual Report
Customer and Other Information
12/31/20

Customer and Other Information	
Name of the System:	LAS QUINTAS SERENAS W.C.
ADEQ Public Water System Number:	AZ0410064
ADWR PCC Number:	91-000427.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	1,079	4	29	5	18
February	1,093	4	29	5	18
March	1,105	4	29	5	18
April	1,114	4	29	5	18
May	1,114	4	29	5	18
June	1,119	4	29	5	18
July	1,134	4	29	5	18
August	1,140	4	29	5	18
September	1,159	4	29	5	18
October	1,170	4	29	5	18
November	1,179	4	29	5	18
December	1,180	4	29	5	18

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.

NA

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

Las Quintas Serenas Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	LAS QUINTAS SERENAS W.C.
ADEQ Public Water System Number:	AZ0410064
ADWR PCC Number:	91-000427.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	5	0
February	0	6	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	11	0

Other (description):

Due to Covid 19 Pandemic, shut offs and late fees have been temporarily terminated until further notice. No shut offs from March to December.

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.

Las Quintas Serenas Water Company
Annual Report
Property Taxes
12/31/20

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

Amount of actual property taxes paid during Calendar Year 2020 was
--

\$36,175

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: Omar Mejia (Manager)
Company name: Las Quintas Serenas Water Company

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

FOR THE YEAR ENDING: 12/31/20

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
2021 APR -8 A 11:37
ARIZONA CORPORATION
COMMISSION

O. Mejia

signature of owner/official

(520) 625-8040

telephone no.

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

THIS

6th

DAY OF

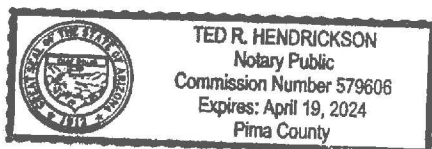
Pima

(county name)

April 2021
(month) and (year)

MY COMMISSION EXPIRES

4/19/2024
(date)



Ted R. Hendrickson
(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:

Omar Mejia (Manager)

Company name:

Las Quintas Serenas Water Company

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

FOR THE YEAR ENDING: 12/31/20

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 (\$)

\$758,194

(The amount in the box above includes

\$53,130 in sales taxes

billed or collected)

O. Mejia

signature of owner/official

(520) 625-8040

telephone no.

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

Pima

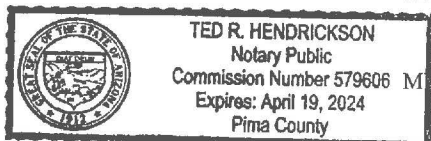
(county name)

THIS

6th

DAY OF

April 2021
(month) and (year)



MY COMMISSION EXPIRES

4/19/2024
(date)

Ted R. Hendrickson

(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: Omar Mejia (Manager)
Company name: Las Quintas Serenas Water Company

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

FOR THE YEAR ENDING: 12/31/20

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:

RECEIVED
UTILITIES DIVISION
2021 APR -8 A 11:37
ARIZONA CORPORATION
COMMISSION

Arizona Intrastate Gross Operating Revenues Only (\$)

\$705,064

(The amount in the box above includes

\$53,129.86 in sales taxes
billed or collected)

O-m-r

signature of owner/official

(520) 625-8040

telephone no.

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

Pima

(county name)

THIS

6th

DAY OF

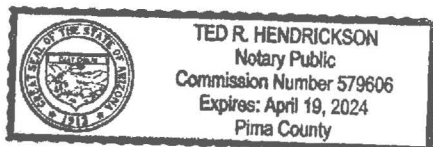
April 2021

(month) and (year)

MY COMMISSION EXPIRES

4/19/2024

(date)



Ted R. Hendrickson

(signature of notary public)

Full Gross-up 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: Omar Mejia (Manager)
Company name: Las Quintas Serenas Water Company

FOR THE YEAR ENDING: 12/31/20

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 NOT INCURRED NOR 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
UTILITIES DIVISION
2021 APR -8 A 11:37
ARIZONA CORPORATION
COMMISSION

D-mj

signature of owner/official

(520) 625-8040

telephone no.

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

Pima

(county name)

THIS

6th

DAY OF

April 2021

(month) and (year)

MY COMMISSION EXPIRES

4/19/2024
(date)



TED R. HENDRICKSON
Notary Public
Commission Number 579606
Expires: April 19, 2024
Pima County

Ted R. Hendrickson

(signature of notary public)