

ANNUAL REPORT

Of

Company Name: **Loma Estates Water Company**
4705 Aldrich Dr. S

Mailing Address: Prescott AZ
86305

Docket No.: W-02245A
For the Year Ended: 12/31/20

**RECEIVED
BY EMAIL**

02/16/2021, 12:09 PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

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: 2/14/2021

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Loma Estates Water Company
A Class ☐ E Utility

For the Calendar Year Ended: 12/31/20

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership:

Counties Served:

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.

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.

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	0	0	0	0	0	0
304	Structures and Improvements	1,379	0	0	1,379	1,203	176
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	0	0	0	0	0	0
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	1,257	0	1,257	0	1,257
311	Pumping Equipment	2,443	0	0	2,443	478	1,965
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	2,000	0	0	2,000	1,844	156
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	0	0	0	0	0	0
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	1,830	524	0	2,354	1,588	767
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	2,531	0	0	2,531	2,181	350
340	Office Furniture and Equipment	305	0	0	305	110	195
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	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	\$10,488	\$1,781	\$0	\$12,269	\$7,403	\$4,865

Loma Estates Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/20

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	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	1,379	0	0	1,379	176	1,203	7.00%	84
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	0	0	0	0	0	0	0.00%	0
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	1,257	0	1,257	0	1,257	0.00%	0
311	Pumping Equipment	2,443	0	0	2,443	1,965	478	7.00%	33
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	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	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	2,000	0	0	2,000	156	1,844	7.00%	129
330.1	Storage Tanks	0	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	0	0	0	0	0	0	0.00%	0
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	1,830	524	0	2,354	767	1,588	7.00%	93
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	2,531	0	0	2,531	350	2,181	7.00%	153
340	Office Furniture and Equipment	305	0	0	305	195	110	20.00%	22
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	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	\$10,488	\$1,781	\$0	\$12,269	\$3,609	\$8,660		\$514

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
5.94%
\$0

Less: Amortization of CIAC **\$0**

DEPRECIATION EXPENSE \$514

Loma Estates Water Company
Annual Report
Balance Sheet Assets
12/31/20

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current and Accrued Assets			
131	Cash		\$1,976	\$1,520
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		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$1,976	\$1,520
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$10,488	\$12,269
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		0	(7,403)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$10,488	\$4,865
	Total Assets		\$12,463	\$6,385

*Note these items feed automatically from AR3 UPIS Page 4

Loma Estates Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Account No.	Current Liabilities			
231	Accounts Payable		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$0	\$0
	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		0	0
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		\$0	\$0
	Total Liabilities		\$0	\$0
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		0	0
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$0	\$0
	Total Liabilities and Capital		\$0	\$0

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

Loma Estates Water Company
Annual Report
Water Comparative Income Statement
12/31/20

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2020 - 12/31/2020	Last Year 01/01/2019 - 12/31/2019
	Operating Revenue		
461	Metered Water Revenue	\$13,202	\$12,523
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	6,339	0
	Total Revenues	\$19,541	\$12,523
	Operating Expenses		
601	Salaries and Wages	\$4,450	\$8,850
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	1,253	1,163
618	Chemicals	0	0
620	Materials and Supplies	193	0
620.1	Repairs and Maintenance	500	0
620.2	Office Supplies and Expense	394	278
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	4,360	360
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	912	912
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	2,910	2,402
657	Insurance - General Liability	1,208	867
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	3,144	0
675	Miscellaneous Expense	0	0
403	Depreciation Expense (From Schedule AR4)	514	572
408	Taxes Other Than Income	0	0
408.11	Property Taxes	499	1,047
409	Income Taxes	835	703
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$21,172	\$17,153
	Operating Income / (Loss)	(\$1,631)	(\$4,630)
	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)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$1,631)	(\$4,630)

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)	0.0	0.0	0.0	0.0
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	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0

Loma Estates 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	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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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:	NA	
ADWR PCC Number:		#N/A
Source of water delivered to another system		

Name of system water received from:	NA	
ADWR PCC Number:		#N/A
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	0.00	33,670.00	0.00	0.00	0.00	\$98	111
February	0.00	28,332.00	0.00	0.00	0.00	82	82
March	0.00	38,552.00	0.00	0.00	0.00	90	106
April	0.00	50,863.00	0.00	0.00	0.00	87	124
May	0.00	85,175.00	0.00	0.00	0.00	100	254
June	0.00	81,810.00	0.00	0.00	0.00	108	267
July	0.00	96,932.00	0.00	0.00	0.00	138	405
August	0.00	111,480.00	0.00	0.00	0.00	125	332
September	0.00	76,511.00	0.00	0.00	0.00	118	265
October	0.00	83,451.00	0.00	0.00	0.00	103	216
November	0.00	57,400.00	0.00	0.00	0.00	96	209
December	0.00	43,080.00	0.00	0.00	0.00	110	202
Totals	0.00	787,256.00	0.00	0.00	0.00	\$1,255	2,573

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

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:		NA	
ADEQ Public Water System Number:		LW-02245A	
ADWR PCC Number:		806671L	

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed
PVC	10%	1973

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
	20	1

FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
12,000	Metal	1	1973

PRESSURE/BLADDER TANKS

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
15	Composite	1	2015

* 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:	4x4x6 - Pump Cover 8x2x4 - 1/2 Well Cover 10x10x8 shed
OTHER:	MX-T & MX-R Bundle Transmitter with mid range antenna, float switch, mulri functional timer, receiver

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

9

Method used:

(a)

Customer and Other Information	
Name of the System:	NA
ADEQ Public Water System Number:	LW-02245A
ADWR PCC Number:	806671L

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	32	0	0	0	0
February	32	0	0	0	0
March	32	0	0	0	0
April	32	0	0	0	0
May	33	0	0	0	0
June	33	0	0	0	0
July	33	0	0	0	0
August	33	0	0	0	0
September	33	0	0	0	0
October	33	0	0	0	0
November	33	0	0	0	0
December	33	0	0	0	0

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

Does the system have chlorination treatment?

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

If yes, provide the GPCPD amount:

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

If yes, which AMA?

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.

0

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

Loma Estates Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/20

Utility Shutoffs / Disconnects	
Name of the System:	NA
ADEQ Public Water System Number:	LW-02245A
ADWR PCC Number:	806671L

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	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	0	0

Other (description):

0

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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2020 was
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\$1,546

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):

Yavapai

Name (owner or official) title:

Mark Baker, Manager

Company name:

Loma Estates 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:

Mark Alan Behn
signature of owner/official

928 715 6836

telephone no.

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

THIS

16th

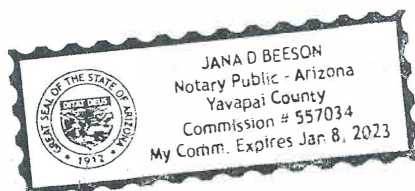
DAY OF

YAVAPAI
(county name)

February, 2021
(month) and (year)

MY COMMISSION EXPIRES

01/08/2023
(date)



[Signature]
(signature of notary public)

Loma Estates Water Company
Annual Report
for Income Tax Statement of Certification
12/31/20

for Income Tax Statement of Certification

Verification:

State of Arizona 0 I, the undersigned of the
(state name)

County of (county name): 0 Yavapai

Name (owner or official) title: 0 Mark Baker, Manager

Company name: Loma Estates 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 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.

Mark Baker
signature of owner/official

0 9287136886
telephone no.

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

YAVAPAI
(county name)

THIS

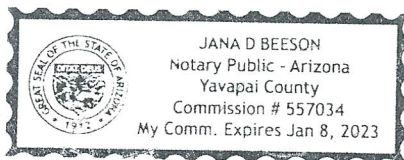
16th

DAY OF

February, 2021
(month) and (year)

MY COMMISSION EXPIRES

01/08/2023
(date)



[Signature]
(signature of notary public)