

ANNUAL REPORT

Of

Company Name:
PO Box 967

Mailing Address: Thatcher AZ
85552

Docket No.: W-02211A
For the Year Ended:

**RECEIVED
BY EMAIL**

7/02/2020 12:19 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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:
Application Date:

ARIZONA CORPORATION COMMISSION
 WATER UTILITY ANNUAL REPORT
 Loma Linda Estates, Inc. DBA Loma Linda Water Company
 A Class Utility

For the Calendar Year Ended: 12/31/19

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
--

	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
302	Franchises	50,000			50,000	12,777	37,223
303	Land and Land Rights				0		0
304	Structures and Improvements	30,000			30,000	20,628	9,372
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs				0		0
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	5,000			5,000	4,136	864
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	20,000			20,000	13,752	6,248
330.2	Pressure Tanks	10,000			10,000	6,876	3,124
331	Transmission and Distribution Mains	10,000			10,000	10,000	0
333	Services				0		0
334	Meters and Meter Installations				0		0
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment				0		0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant				0		0
	Totals	\$125,000	\$0	\$0	\$125,000	\$68,169	\$56,831

Loma Linda Estates, Inc. DBA Loma Linda Water Company
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
302	Franchises	50,000	0	0	50,000		50,000	6.67%	3,333
303	Land and Land Rights	0	0	0	0		0		0
304	Structures and Improvements	30,000	0	0	30,000		30,000	12.49%	3,747
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	0	0	0		0		0
311	Pumping Equipment	5,000	0	0	5,000		5,000	11.52%	576
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	0	0	0	0		0		0
330.1	Storage Tanks	20,000	0	0	20,000		20,000	12.49%	2,498
330.2	Pressure Tanks	10,000	0	0	10,000		10,000	12.49%	1,249
331	Transmission and Distribution Mains	10,000	0	0	10,000		10,000	0.00%	0
333	Services	0	0	0	0		0		0
334	Meters and Meter Installations	0	0	0	0		0		0
335	Hydrants	0	0	0	0		0		0
336	Backflow Prevention Devices	0	0	0	0		0		0
339	Other Plant and Misc. Equipment	0	0	0	0		0		0
340	Office Furniture and Equipment	0	0	0	0		0		0
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
	Subtotal	\$125,000	\$0	\$0	\$125,000		\$125,000		\$11,403

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

9.12%

\$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$11,403

Loma Linda Estates, Inc. DBA Loma Linda Water Company
 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		\$4,603	\$2,350
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		6,009	9,734
146	Notes Receivable from Associated Companies		3,200	
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$13,812	\$12,084
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$125,000	\$125,000
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(56,766)	(68,169)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$68,234	\$56,831
	Total Assets		\$82,046	\$68,915

*Note these items feed automatically from AR3 UPIS Page 4

Loma Linda Estates, Inc. DBA Loma Linda Water Company
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			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		50	
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$50	\$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$49,377	\$28,648
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction			
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		\$0	\$0
	Total Liabilities		\$49,427	\$28,648
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		32,619	40,267
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$32,619	\$40,267
	Total Liabilities and Capital		\$82,046	\$68,915

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

Loma Linda Estates, Inc. DBA Loma Linda Water Company
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	\$64,141	\$60,965
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	\$64,141	\$60,965
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	3,998	3,927
618	Chemicals		
620	Materials and Supplies	1,819	
620.1	Repairs and Maintenance	16,848	20,504
620.2	Office Supplies and Expense	3,354	3,015
630	Contractual Services	3,215	3,360
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	1,916	350
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	7,715	8,410
635	Contractual Services - Water Testing	2,930	2,390
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	1,640	269
657	Insurance - General Liability	1,268	350
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense		
403	Depreciation Expense (From Schedule AR4)	11,403	14,787
408	Taxes Other Than Income	38	695
408.11	Property Taxes	349	671
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$56,493	\$58,728
	Operating Income / (Loss)	\$7,648	\$2,237
	Other Income / (Expense)		
419	Interest and Dividend Income		\$1
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		(2,877)
	Total Other Income / (Expense)	\$0	(\$2,876)
	Net Income / (Loss)	\$7,648	(\$639)

Loma Linda Estates, Inc. DBA Loma Linda Water Company
 Annual Report
 Full time equivalent employees
 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1.0			1.0
Vice-president				0.0
Manager			1.0	1.0
Engineering Staff				0.0
System Operator(s)				0.0
Meter reader				0.0
Customer Service				0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	1.0	0.0	1.0	2.0

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:	\$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.

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:	NA
-----------------------------	----

STRUCTURES:	Pumphouse
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OTHER:	
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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:

Customer and Other Information	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	130	0	0	0	0
February	130	0	0	0	0
March	130	0	0	0	0
April	130	0	0	0	0
May	130	0	0	0	0
June	130	0	0	0	0
July	130	0	0	0	0
August	128	0	0	0	0
September	129	0	0	0	0
October	131	0	0	0	0
November	132	0	0	0	0
December	133	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.

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

Loma Linda Estates, Inc. DBA Loma Linda Water Company
Annual Report
 Utility Shutoffs / Disconnects
 12/31/19

Utility Shutoffs / Disconnects	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

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	1	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	1	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	2	0

Other (description):

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.

Loma Linda Estates, Inc. DBA Loma Linda Water Company
Annual Report
Property Taxes
12/31/19

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2019 was	
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\$349

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): Greenlee
Name (owner or official) title: CAROL GONZALEZ - OWNER
Company name: Loma Linda Water Company

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

FOR THE YEAR ENDING: 12/31/19

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:

RECEIVED
BY EMAIL
7/02/2020 12:19 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Carol Gonzalez
signature of owner/official

623-302-3239
telephone no.

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

THIS

1st

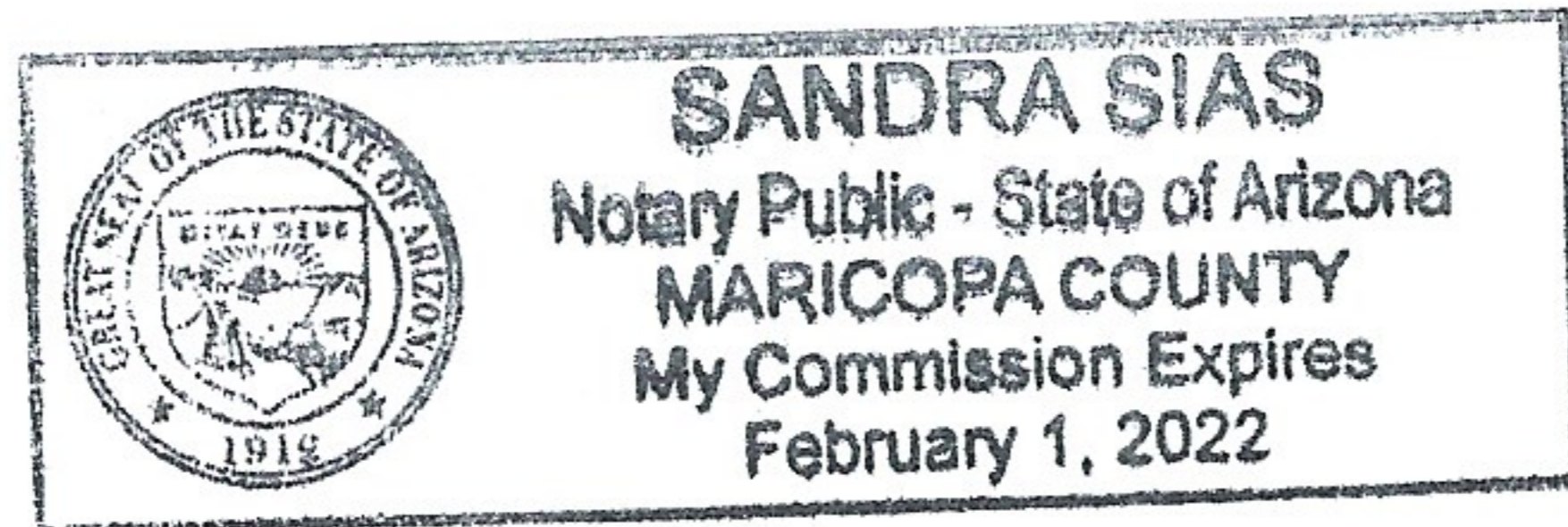
DAY OF

Maricopa
(county name)

JULY 2020
(month) and (year)

MY COMMISSION EXPIRES

2-1-2022
(date)



Sandra Sias
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name): Greenlee
Name (owner or official) title: CAROL GONZALEZ - OWNER
Company name: Loma Linda Water Company

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

FOR THE YEAR ENDING: 12/31/19

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:

RECEIVED BY EMAIL
7/02/2020 12:19 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Arizona Intrastate Gross Operating Revenues Only (\$)

\$64,179

(The amount in the box above includes

\$38 in sales taxes billed or collected)

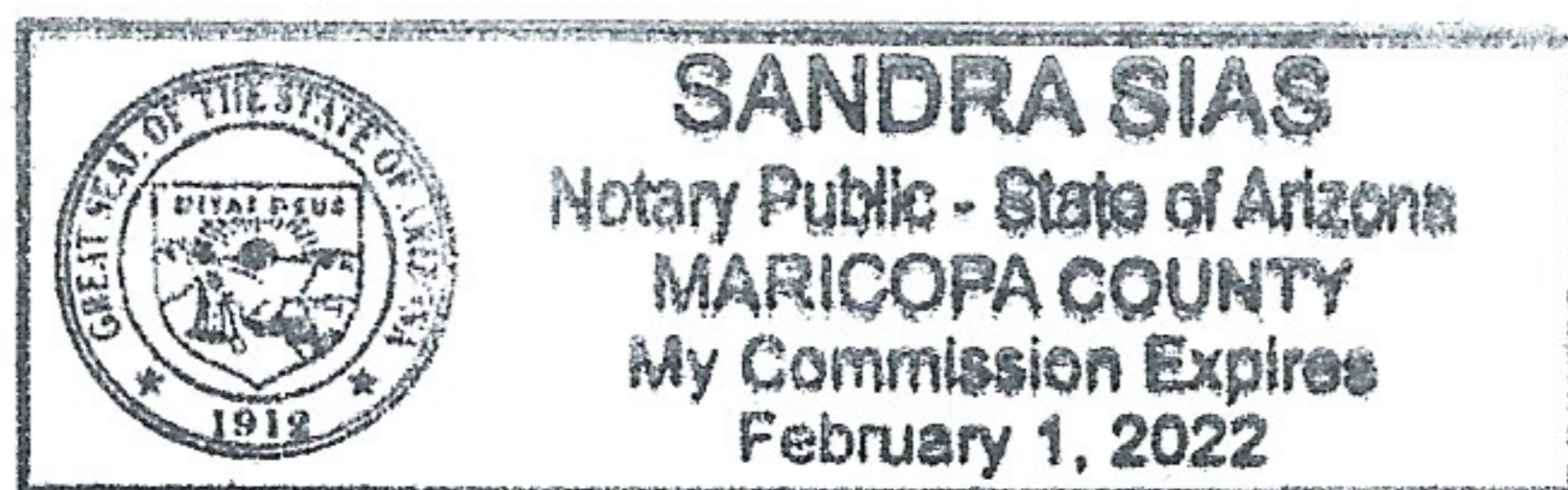
Carol Gonzalez
signature of owner/official

623-302-3239
telephone no.

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

THIS 1st DAY OF Maricopa (county name)
July 2020 (month) and (year)

MY COMMISSION EXPIRES 2-1-2022 (date)



Sandra Sias
(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): Greenlee
Name (owner or official) title: CAROL GONZALEZ - OWNER
Company name: Loma Linda Water Company

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

FOR THE YEAR ENDING: 12/31/19

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 (\$)

\$64,179

(The amount in the box above includes

\$38 in sales taxes
billed or collected)

RECEIVED
BY EMAIL
7/02/2020 12:19 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Carol Gonzalez
signature of owner/official

623-302-3239
telephone no.

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

Maricopa
(county name)

THIS

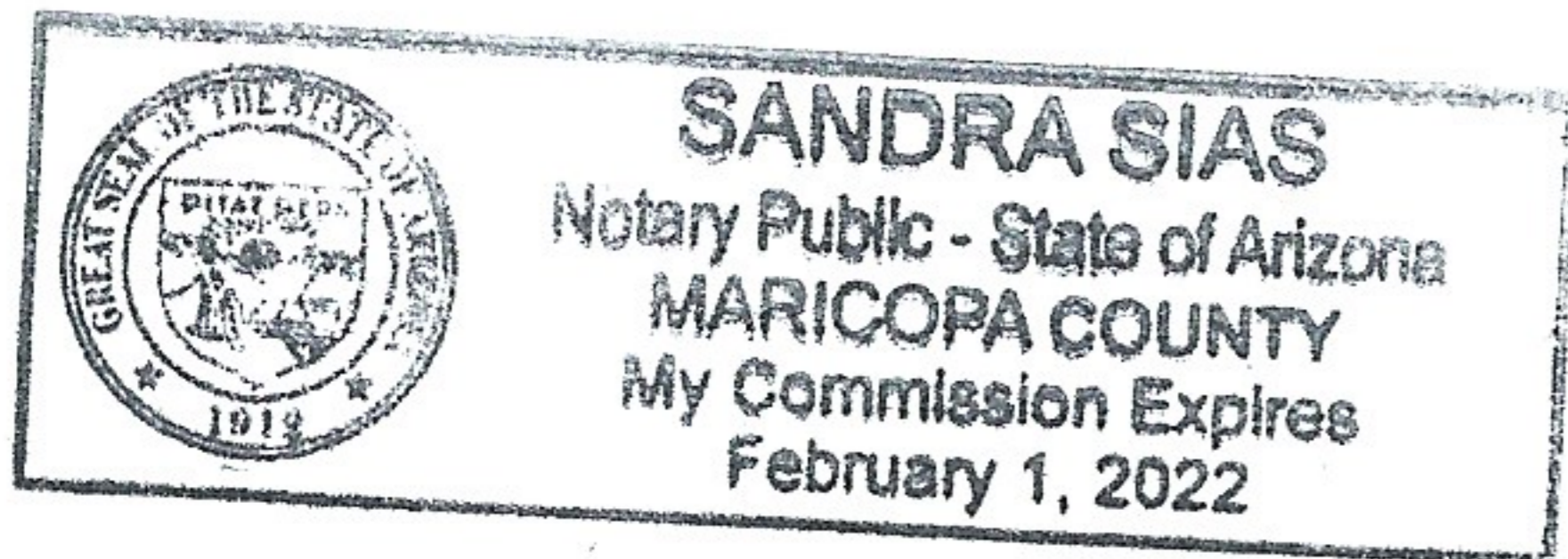
1st

DAY OF

July 2020
(month) and (year)

MY COMMISSION EXPIRES

2-1-2022
(date)



Sandra Sias
(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): Greenlee
Name (owner or official) title: CAROL GONZALEZ - OWNER
Company name: Loma Linda Water Company

FOR THE YEAR ENDING: 12/31/19

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
BY EMAIL
7/02/2020 12:19 PM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Carol Gonzalez
signature of owner/official

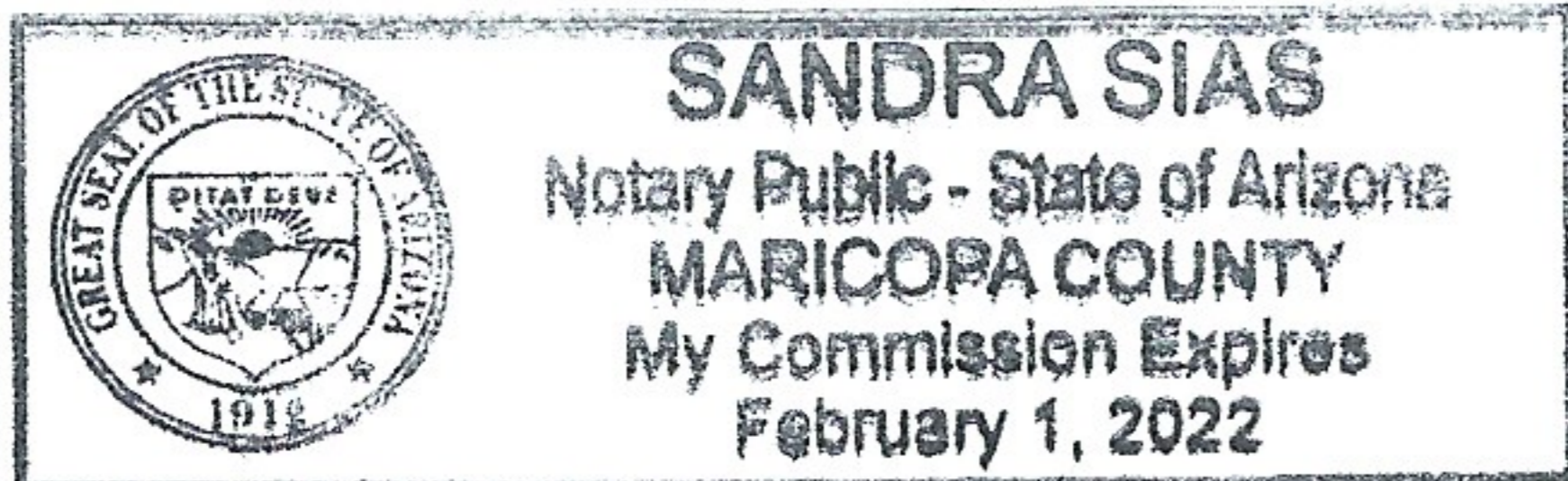
623-302-3239
telephone no.

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

Maricopa
(county name)

THIS 1st DAY OF July 2020
(month) and (year)

MY COMMISSION EXPIRES 2-1-22
(date)



Sandra Sias
(signature of notary public)