

ANNUAL REPORT

Of

Company Name: Los Cerros Water Company, Inc.
4003 N. Flowing Wells Rd., Ste. 111

Mailing Address: Tucson AZ
85705-2499

Docket No.: W-02747A
For the Year Ended: 12/31/18

RECEIVED
MAR 26 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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: 3/26/2019

4-10-19

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

1. For the Calendar Year Ended: 12/31/18

2. Address:

P.O. Box 68915			
City: Tucson	State: Arizona	Zip Code: 85737	

3. Telephone Number:

520-293-5500

4. Date of Original Organization of Utility:

5/5/1993

5. Person to whom correspondence should be addressed concerning this report:

Name:

Jody Carlson

Telephone No. :

520-744-7844 or 520-401-0102

Address:

11372 N. Vista Ranch Place

City:

Marana

 State:

Arizona

 Zip Code:

85658

Email:

loscerrowater@comcast.net

6. On-Site Manager:

Name:

Jody Carlson

Telephone No. :

520-293-5500

Address:

PO Box 68915

City:

Tucson

 State:

Arizona

 Zip Code:

85658

Email:

loscerrowater@comcast.net

7. Ownership:

"S" Corporation

8. Counties Served:

Pima

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCID (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	7,221	0	0	7,221	0	7,221
304	Structures and Improvements	17,018	0	0	17,018	14,467	2,551
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	514,470	0	0	514,470	383,514	130,956
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	151,410	26,030	13,603	163,837	117,262	46,575
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	4,145	0	0	4,145	4,145	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	56,617	0	0	56,617	55,622	995
330.2	Pressure Tanks	3,245	0	0	3,245	486	2,759
331	Transmission and Distribution Mains	483,797	0	0	483,797	483,797	0
333	Services	140,246	740	0	140,986	139,132	1,854
334	Meters and Meter Installations	181,385	2,524	737	183,172	140,183	42,989
335	Hydrants	24,357	0	0	24,357	24,357	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	1,035	2,238	534	2,739	134	2,605
340	Office Furniture and Equipment	6,908	0	0	6,908	6,779	129
340.1	Computer & Software	24,932	0	0	24,932	16,722	8,210
341	Transportation Equipment	15,000	0	0	15,000	11,250	3,750
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	1,300	0	0	1,300	455	845
347	Miscellaneous Equipment	590	0	0	590	590	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,633,676	\$31,532	\$14,874	\$1,650,334	\$1,398,895	\$251,439

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.

Los Cerros Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/18

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	7,221	0	0	7,221	7,221	0.00%	0
304	Structures and Improvements	17,018	0	0	17,018	0	3.33%	567
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	514,470	0	0	514,470	0	3.33%	17,132
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0.00%	0
311	Pumping Equipment	151,410	26,030	13,603	163,837	135,957	12.50%	2,708
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	4,145	0	0	4,145	0	20.00%	404
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	56,617	0	0	56,617	55,578	2.22%	23
330.2	Pressure Tanks	3,245	0	0	3,245	0	5.00%	162
331	Transmission and Distribution Mains	483,797	0	0	483,797	0	2.00%	2,011
333	Services	140,246	740	0	140,986	139,056	3.33%	52
334	Meters and Meter Installations	181,385	2,524	737	183,172	0	8.33%	15,184
335	Hydrants	24,357	0	0	24,357	24,357	2.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	1,035	2,238	534	2,739	261	6.67%	108
340	Office Furniture and Equipment	6,908	0	0	6,908	0	6.67%	461
340.1	Computer & Software	24,932	0	0	24,932	0	20.00%	4,986
341	Transportation Equipment	15,000	0	0	15,000	0	20.00%	3,000
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	1,300	0	0	1,300	0	10.00%	130
347	Miscellaneous Equipment	590	0	0	590	590	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$1,633,676	\$31,532	\$14,874	\$1,650,334	\$363,020		\$46,929

Contribution(s) in Aid of Construction (Gross)	\$524,744
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$524,744
Times: Proposed Amortization Rate	3.65%
Amortization of CIAC	\$19,129

Less: Amortization of CIAC \$19,129

DEPRECIATION EXPENSE **\$27,799**

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.

Los Cerros Water Company, Inc.
Annual Report
Balance Sheet Assets
12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash		\$35,557	\$33,897
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		15,390	13,015
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		\$50,947	\$46,912
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,633,676	\$1,650,334
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,366,307)	(1,398,895)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$267,369	\$251,439
	Total Assets		\$318,316	\$298,351

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.

*Note these items feed automatically from AR3 UPIS Page 3

Los Cerros Water Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$45	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		9,362	10,772
236	Accrued Taxes		2,883	2,538
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$12,290	\$13,310
	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		92,432	92,343
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		524,744	524,744
272	Less: Amortization of Contributions		(265,611)	(284,740)
281	Accumulated Deferred Income Tax			
	Total Deferred Credits		\$351,565	\$332,347
	Total Liabilities		\$363,855	\$345,657
	Capital Accounts			
201	Common Stock Issued		\$100,000	\$100,000
211	Other Paid-In Capital		103,550	103,550
215	Retained Earnings		(249,089)	(250,856)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		(\$45,539)	(\$47,306)
	Total Liabilities and Capital		\$318,316	\$298,351

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.

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

Los Cerros Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$375,147	\$374,278
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	5,547	4,901
474	Other Water Revenue	0	0
	Total Revenues	\$380,694	\$379,179
	Operating Expenses		
601	Salaries and Wages	\$123,615	\$132,740
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	42,588	42,630
618	Chemicals	1,344	1,136
620	Materials and Supplies	6,555	3,040
620.1	Repairs and Maintenance	2,853	4,306
620.2	Office Supplies and Expense	21,463	22,410
630	Contractual Services	6,293	4,761
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	1,433	1,395
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,280	1,530
636	Contractual Services - Other	0	0
640	Rents	14,273	12,493
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	5,053	4,751
657	Insurance - General Liability	2,939	2,908
657.1	Insurance - Health and Life	18,361	17,000
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	993	0
675	Miscellaneous Expense	4,130	6,961
403	Depreciation Expense (From Schedule AR4)	27,799	31,741
408	Taxes Other Than Income	11,790	12,851
408.11	Property Taxes	19,111	19,431
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	263	265
	Total Operating Expenses	\$312,136	\$322,349
	Operating Income / (Loss)	\$68,558	\$56,830
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	209	0
426	Miscellaneous Non-Utility (Expense)	(534)	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	(\$325)	\$0
	Net Income / (Loss)	\$68,233	\$56,830

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.

Los Cerros Water Company, Inc.
Annual Report
Full time equivalent employees
12/31/18

Full time equivalent employees

	Direct Company	Outside service	Total
President	1.0	0.0	1.0
Vice-president	0.0	0.0	0.0
Manager	0.0	0.0	0.0
Engineering Staff	0.0	0.0	0.0
System Operator(s)	1.0	0.0	1.0
Meter reader	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0
Accounting	0.0	0.0	0.0
Business Office	0.2	0.0	0.2
Rates Department	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0
Other	0.4	0.0	0.4
Total	2.6	0.0	2.6

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. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Los Cerros Water Company, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/18

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	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	N/A	N/A	N/A	N/A
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:	\$6,272
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Meter Deposits Refunded During the Test Year:	\$1,070
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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									
Name of the System:		LOS CERROS WATER CO							
ADEQ Public Water System Number:		AZ 0410128							
ADWR PCC Number:		91-000445.0000							
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Meter Size (inches)	How measured:	Active
55-802342 Wilds	30	193	518	10	Summersible	1971	4	Metered	Yes
55-805783 Fiesta	10	66	N/A	8	Summersible	N/A	3	Metered	Yes
55-804734 LDO	30	155	396	10	Summersible	1974	4	Metered	Yes
55-591958 SilverBuckle	20	86	564	12	Summersible	2003	2	Metered	Yes
55-221487 Golder	20	122	400	6	Summersible	2012	3	Metered	Yes
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No
0	0	0	0	0	0	0	0	Metered	No

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 (acre ft) ¹	Water sold (acre ft) ²	Water delivered (sold) to other systems (acre ft) ³	Water received (purchased) from other systems (acre ft) ⁴	Estimated authorized use (acre ft) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	18	17	0	0	0	\$3,261	22,645
February	21	20	0	0	0	2,758	19,002
March	15	14	0	0	0	2,621	17,816
April	22	20	0	0	0	3,472	24,248
May	26	25	0	0	0	3,719	24,516
June	30	28	0	0	0	5,056	31,718
July	27	25	0	0	0	4,844	30,284
August	25	23	0	0	0	3,785	23,394
September	24	23	0	0	0	4,078	25,310
October	23	21	0	0	0	3,411	22,258
November	17	16	0	0	0	2,822	19,735
December	17	16	0	0	0	2,761	19,246
Totals	265	248	0	0	0	\$42,588	280,172

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

Los Cerros had .21 acre feet of estimated authorized usage for fire testing and flushing

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 acre feet of water withdrawn from pumped sources.
2 Water sold - Total acre feet from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.
4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.
5 Estimated authorized use - Total estimated acre feet from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies 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:	LOS CERROS WATER CO	
ADEQ Public Water System Number:	AZ 0410128	
ADWR PCC Number:	91-000445.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	7,360
3.00	PVC	2,395
4.00	PVC	25,611
6.00	PVC	30,341
8.00	PVC	19,536
12.00	PVC	588
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

SERVICE LINES	
Material	Percent of system
NA	0%
NA	0%
NA	0%
NA	0%
NA	0%

CUSTOMER METERS	
Size (inches)	Quantity
5/8 X 3/4	819
0.75	24
1	22
1.5	0
2	6
3	2
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0
NA	0

BOOSTER PUMPS			
Horsepower	GPM		Quantity
5 (Wilds)		Unknown	2
15 (LDO)		Unknown	2
(1) 5 & (2) 7.5		at Silver Buckle	3
30 (Fire pump)		Unknown	1

FIRE HYDRANTS	
Type	Quantity
Standard *	60
Other	0

STORAGE TANKS		
Capacity (gallons)	Material	Quantity
60000 (LDO)	Steele	1
375000 (SB)	Steele	1
N/A	N/A	0
N/A	N/A	0
N/A	N/A	0
N/A	N/A	0

PRESSURE/BLADDER TANKS		
Capacity (gallons)	Material	Quantity
5,000	Steele	2
2,000	Steele	2
500	Steele	1
N/A	N/A	0
N/A	N/A	0
N/A	N/A	0

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. Copy and paste this sheet as many times as is necessary.

* 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:	Wilds Well, Lago Del Oro Well, Silver Buckle Well and Golder Ranch Well each have a Tablet-sidestream Style Chlorinator. Fiesta Well has a Chemical Feed Pump.
STRUCTURES:	Existing Fences (6' chainlink w/3 strand barbed wire on top) surrounding 4 well sites, approx. 40' x 40' area for each site. Swan Rd Pressure Tank also has 6' chainlink w/3 strand barbed wire on top), approx. 20' x 20' area. Silver Buckle Well Site has 6' Masonry block wall with 2 chainlink gates, approx. 100' x 100'. Shed @ Wilds Road Well Site, Chainlink enclosures @ pumping stations and electrical equipment.
OTHER:	2004 Toyota Tundra Truck

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. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	LOS CERROS WATER CO
ADEQ Public Water System Number:	AZ 0410128
ADWR PCC Number:	91-000445.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	835	0	6	7	0
February	835	0	6	7	0
March	838	0	6	7	0
April	838	0	6	7	0
May	839	0	6	7	0
June	839	0	6	7	0
July	840	0	6	7	0
August	842	0	6	7	0
September	840	0	6	7	0
October	841	0	6	7	0
November	841	0	6	7	0
December	841	0	6	7	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?

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. Copy and paste this sheet as many times as is necessary.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2018 was	\$19,111
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If no property taxes paid, explain why.

All Property Taxes have been paid in full.

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.

Los Cerros Water Company, Inc.
Annual Report
Verification and Sworn Statement (Taxes)
12/31/18

RECEIVED

MAR 26 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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:

Jody Carlson, President

Company name:

Los Cerros Water Company, Inc.

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

FOR THE YEAR ENDING:

12/31/18

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.

Jody Carlson

signature of owner/official

520-293-5500 or 520-401-0102

telephone no.

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

THIS

25

DAY OF

March 2019

(month) and (year)

MY COMMISSION EXPIRES

11/25/2022

(date)



Aron Duran Nevarez
Notary Public
Pima County, Arizona
My Comm. Expires
11/25/2022
Commission No. 555937

[Signature]
(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:

Jody Carlson, President

Company name:

Los Cerros Water Company, Inc.

RECEIVED
MAR 26 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$406,653

(The amount in the box above includes

\$25,959 in sales taxes

billed or collected)

Jody Carlson
signature of owner/official

520-293-5500 or 520-401-0102

telephone no.

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

Pima

(county name)

THIS

25

DAY OF

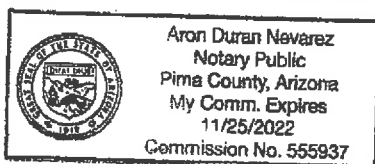
March 2019

(month) and (year)

MY COMMISSION EXPIRES

11/25/22

(date)



Aron Duran Nevarez
(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:

Jody Carlson, President

Company name:

Los Cerros Water Company, Inc.

RECEIVED

MAR 26 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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 (\$)

\$375,811

(The amount in the box above includes

\$22,081

in sales taxes
billed or collected)

Jody Carlson
signature of owner/official

520-293-5500 or 520-401-0102
telephone no.

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

Pima

(county name)

THIS

25th

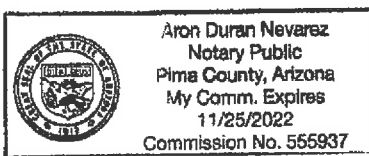
DAY OF

March 2019

(month) and (year)

MY COMMISSION EXPIRES

11/25/2022
(date)



[Signature]
(signature of notary public)

Company	Los Cerros Water Company, Inc.	
Docket No.:	W-02747A	
Name of the System:	LOS CERROS WATER CO	
ADEQ Public Water System Number:		AZ0410128
ADWR PCC Number:		91-000445.0000

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	3	0
February	0	6	0
March	0	9	0
April	0	8	0
May	0	7	0
June	0	1	0
July	0	9	0
August	0	8	0
September	0	5	0
October	0	10	0
November	0	7	0
December	0	4	0
Total	0	77	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.

RECEIVED

JUN 13 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE