ANNUAL REPORT

Of

Company Name: Mountain Glen Water Service, Inc.

PO Box 85160

Mailing Address:

Tucson AZ

85754

Docket No.: W-03875A

For the Year Ended: 12/31/19

RECEIVED BY EMAIL

4/15/2020, 08:25 AM

ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Application Type: Original Filing
Application Date: 5/4/2020

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Mountain Glen Water Service, Inc.

		/
A Class	Е	Utility

For the Calendar Year E	Ended: <u>12/31/19</u>				
Primary Address:	6808 N. Dysart Rd, Suite 11	2			
	Glendale	1	State: Arizona	Zip Code:	85307
		_		1	
Telephone Number:	623-935-1100]			
Date of Original Organia	zation of Utility:	6/22/2	000		
Person to whom corresp	ondence should be address	sed concer	ning this report:		
	Paul Kauffman]		
Telephone No.:	623-935-1100				
Address:	6808 N. Dysart Rd, Suite 11	2			
City:	Glendale		State: Arizona	Zip Code:	85307
Email:	kauffmanp@potableproducts	s.com	_	_	
On-Site Manager	T		1		
	Jason Craven				
Telephone No. :					1
	PO Box 843			1	_
· ·	Show Low		State: Arizona	Zip Code:	85902
Email:	jason@desertratexcavatinging	c.com			
Name:	T		T		
Telephone No. :			-		
Address:					
City:		1	State:	Zip Code:	
Email:			State.	Zip Code.	
Eman.					
Name:					
Telephone No.:					
Address:					
City:			State:	Zip Code:	
Email:				_	
Name:					
Telephone No. :			L		
Address:			7	1	
City:			State:	Zip Code:	
Email:					
Ownership:	"C" Corporation]		
-			•		
Counties Served:	Navajo		1		

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT

Mountain Glen	Water	Service,	Inc
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	Important changes during the year
No For th	ose companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during
year?	
-	, please provide specific details in the box below.
N/A	
1,711	
No Has th	ne company been notified by any other regulatory authorities during the year, that they are out of compliance?
	, please provide specific details in the box below.
N/A	
1,711	

		Utilit	y Plant in Service	(Water)			
Account	Description	Beginning Year	Current Year	Current Year	Adjusted Original	Accumulated	OCLD (OC less
No.	_	Original Cost	Additions	Retirements	Cost	Depreciation	AD)
301	Organization	\$2,384	\$0	\$0	\$2,384	\$864	\$1,520
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	8,120	0	0	8,120	0	8,120
304	Structures and Improvements	56,052	0	0	56,052	23,991	32,061
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	146,292	0	0	146,292	59,383	86,909
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	51,053	18,926	0	69,979	49,746	20,233
320	Water Treatment Equipment	10,000	0	0	10,000	10,000	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	2,005	0	0	2,005	1,104	901
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	209,291	0	0	209,291	52,062	157,229
330.2	Pressure Tanks	0	1,600	0	1,600	40	1,560
331	Transmission and Distribution Mains	219,244	15,485	0	234,729	68,905	165,824
333	Services	27,141	4,880	0	32,021	13,588	18,433
334	Meters and Meter Installations	66,415	850	0	67,265	53,140	14,125
335	Hydrants	38,535	0	0	38,535	10,253	28,282
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	2,575	0	2,575	86	2,489
340	Office Furniture and Equipment	0	0	0	0	(150)	150
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	2,933	0	0	2,933	(178)	3,111
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	(232)	232
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	\$839,465	\$44,316	\$0	\$883,781	\$342,602	\$541,179

Mountain Glen Water Service, Inc. Annual Report Depreciation Expense for the Current Year (Water) 12/31/19

		Dep	reciation Expense	e for the Current	Year (Water)				
Account No.	Description	Beginning	Current Year	Current Year	Adjusted	Fully	Depreciable	Depreciation	Depreciation
		Year Original Cost	Additions	Retirements	Original Cost	Depreciated/Non- depreciable Plant	Plant	Percentages	Expense
301	Organization	\$2,384	\$0	\$0	\$2,384	\$2,384	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	8,120	0	0	8,120	8,120	0	0.00%	0
304	Structures and Improvements	56,052	0	0	56,052	0	56,052	3.33%	1,867
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	146,292	0	0	146,292	0	146,292	3.33%	5,289
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	51,053	18,926	0	69,979	47,859	22,120	12.50%	1,738
320	Water Treatment Equipment	10,000	0	0	10,000	10,000	0	3.33%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	2,005	0	0	2,005	0	2,005	20.00%	401
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	209,291	0	0	209,291	0	209,291	2.22%	4,672
330.2	Pressure Tanks	0	1,600	0	1,600	0	1,600	5.00%	40
331	Transmission and Distribution Mains	219,244	15,485	0	234,729	0	234,729	2.00%	4,540
333	Services	27,141	4,880	0	32,021	0	32,021	3.33%	985
334	Meters and Meter Installations	66,415	850	0	67,265	29,677	37,588	8.33%	3,159
335	Hydrants	38,535	0	0	38,535	0	38,535	2.00%	771
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	2,575	0	2,575	0	2,575	6.67%	86
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	50
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	2,933	0	0	2,933	0	2,933	5.00%	195
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	5.00%	31
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	\$839,465	\$44,316	\$0	\$883,781	\$98,040	\$785,741		\$23,823

 Contribution(s) in Aid of Construction (Gross)
 \$258,541

 Less: Non Amortizable Contribution(s)
 0

 Fully Amortized Contribution(s)
 0

 Amortizable Contribution(s)
 \$258,541

 Times: Proposed Amortization Rate
 3.33%

 Amortization of CIAC
 \$8,609

Less: Amortization of CIAC \$8,609

DEPRECIATION EXPENSE \$15,214

Mountain Glen Water Service, Inc. Annual Report Balance Sheet Assets 12/31/19

	Balance Sheet Assets		
	Assets	Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current and Accrued Assets		
131	Cash	\$31,735	\$31,879
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	7,920	7,019
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	2,277
	Total Current and Accrued Assets	\$39,655	\$41,175
Account No.	Fixed Assets		
101	Utility Plant in Service*	\$839,465	\$883,781
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation (enter as negative)*	(318,778)	(342,602)
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility	0	0
	Total Fixed Assets	\$520,687	\$541,179
	Total Assets	\$560,342	\$582,354

*Note these items feed automatically from AR3 UPIS Page 4

Mountain Glen Water Service, Inc. Annual Report Balance Sheet Liabilities and Owners Equity

	Balance Sheet Liabilities and Ow	vners Equity	
	Liabilities	Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	Current Liabilities		
231	Accounts Payable	\$10,107	\$4,974
232	Notes Payable (Current Portion)	0	0
234	Notes Payable to Associated Companies	0	0
235	Customer Deposits	13,834	14,070
236	Accrued Taxes	748	4,416
237	Accrued Interest	0	0
242	Miscellaneous Current and Accrued Liabilities	0	339
	Total Current Liabilities	\$24,689	\$23,799
	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	4,807	7,024
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	258,541	258,541
272	Less: Amortization of Contributions	(30,858)	(39,467)
281	Accumulated Deferred Income Tax	26,206	38,496
	Total Deferred Credits	\$258,696	\$264,594
	Total Liabilites	\$283,385	\$288,393
	Capital Accounts		
201	Common Stock Issued	\$5,000	\$2,100
211	Other Paid-In Capital	149,806	152,706
215	Retained Earnings	122,151	139,155
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	Total Capital	\$276,957	\$293,961
	Total Liabilities and Capital	\$560,342	\$582,354

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

Account No.	Water Comparative 1 Calendar Year	Current Year	Last Year
Account No.	Calendar Year		
	O	01/01/2019 - 12/31/2019	01/01/2018 - 12/31/2018
461	Operating Revenue Metered Water Revenue	\$191,504	\$191,035
460	Unmetered Water Revenue	0	\$171,033
462	Fire Protection Revenue	0	0
462	Guaranteed Revenues (Surcharges)	0	(
		2,586	3,136
471	Miscellaneous Service Revenues	2,380	3,130
474	Other Water Revenue Total Revenues	\$194,090	\$194,171
	1 otal Revenues	\$194,090	\$19 4, 171
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	(
610	Purchased Water	0	0
615	Purchased Power	11,107	11,218
618	Chemicals	468	860
620	Materials and Supplies	0	000
620.1		1,240	6,991
620.1	Repairs and Maintenance Office Supplies and Expense	1,972	2,960
	i	0	2,900
630	Contractual Services	0	0
631	Contractual Services - Engineering	7,911	6,041
	Contractual Services - Accounting	7,911	213
633	Contractual Services - Legal	114,969	113,518
634	Contractual Services - Management Fees	3,608	2,766
635	Contractual Services - Water Testing	3,008	2,700
636	Contractual Services - Other	0	0
640	Rents		660
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	155	2.702
657	Insurance - General Liability	1,607	2,793
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	308
675	Miscellaneous Expense	1,104	128
403	Depreciation Expense (From Schedule AR4)	15,214	13,883
408	Taxes Other Than Income	7.260	0
408.11	Property Taxes	7,369	7,271
409	Income Taxes	5,600	(201
427.1	Customer Security Deposit Interest	348	267
	Total Operating Expenses	\$172,672	\$169,676
	Operating Income / (Loss)	\$21,418	\$24,495
44.0	Other Income / (Expense)	**	.
419	Interest and Dividend Income	\$0	\$4
421	Non-Utility Income	0	(25, 405
426	Miscellaneous Non-Utility (Expense)	0	(26,407
427	Interest (Expense)	0	(2,615
	Total Other Income / (Expense)	\$0	(\$29,018
	Net Income / (Loss)	\$21,418	(\$4,523

Mountain Glen Water Service, Inc. Annual Report Full time equivalent employees 12/31/19

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			unable to	0.0
Engineering Staff			determine	0.0
System Operator(s)			without	0.0
Meter reader			significant	0.0
Customer Service			analysis	0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

Mountain Glen Water Service, Inc. Annual Report Supplemental Financial Data (Long-Term Debt) 12/31/19

Supplemental Financial Data (Long-Term Debt)						
	Loan #1	Loan #2	Loan #3	Loan #4		
Date Issued	No Loans					
Source of Loan						
ACC Decision No.						
Reason for Loan						
Dollar Amt. Issued						
Amount Outstanding						
Date of Maturity						
Interest Rate						
Current Year Interest						
Current Year Principal						

Meter Deposit Balance at Test Year End:	\$7,024	
Meter Deposits Refunded During the Test Year	r:	

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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.

\$866

Mountain Glen Water Service, Inc. Annual Report Well and Water Usage 12/31/19

				Well and Wate	er Usage							_
Name of the System:		LINDEN TRAILS			g-							
ADEQ Public Water Sys	tem Number:		AZ0409090									
ADWR PCC Number:			91-000400.0000									
Well registry 55# (55-			Casing Depth	Casing Diameter	Pump Motor	Year	Water level	Water level	Meter Size	How		
XXXXXX):	Pump Horsepower	Pump Yield (gpm)	(feet)	(inches)	Type **	Drilled	2010	2019	(inches)	measured:	Active	
55-591269	15	150	400	8	Submersible	2002	Unknown	Unknown	2	Metered		Yes
55-214713	7.5	80	480	8	Submersible	2007	Unknown	Unknown	2	Metered		Yes

Name of system water delivered to:				
ADWR PCC Number:				
Source of water delivered to another system			-	
		=		
Name of system water rec	eived from:			
ADWR PCC Number:				
Source of water received			-	
Well registry 55# (55-XXXXXX):				

				Water received			
			Water delivered	(purchased) from	Estimated	Purchased	Purchased
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Power	Power
Month	(gallons)1	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense ⁶	$(kWh)^7$
January	1,549,550.00	1,309,930.00	0.00	0.00	0.00	\$484	4,474
February	1,400,000.00	935,402.00	0.00	0.00	0.00	439	3,988
March	1,321,500.00	1,115,468.00	0.00	0.00	0.00	375	3,398
April	1,944,400.00	1,854,224.00	0.00	0.00	0.00	554	5,359
May	2,465,300.00	2,149,500.00	0.00	0.00	0.00	715	7,393
June	3,287,280.00	3,043,890.00	0.00	0.00	0.00	953	10,152
July	3,998,020.00	3,600,172.00	0.00	0.00	0.00	1,158	12,553
August	3,241,500.00	2,892,068.00	0.00	0.00	0.00	894	9,475
September	3,707,800.00	3,406,760.00	0.00	0.00	0.00	1,027	11,028
October	2,713,400.00	2,459,970.00	0.00	0.00	0.00	790	8,014
November	1,524,600.00	1,348,680.00	0.00	0.00	0.00	604	5,920
December	1,283,609.00	1,061,460.00	0.00	0.00	0.00	459	4,276
Totals	28,436,959.00	25,177,524.00	0.00	0.00	0.00	\$8,452	86,030

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.

Mountain Glen Water Service, Inc. Annual Report Well and Water Usage 12/31/19

				Well and V	Vater Usage						
Name of the System:		Clay Springs/Ricocl	net Ranch								
ADEQ Public Water Sys	stem Number:		AZ0409081								
ADWR PCC Number:			NA								
Well registry 55# (55- XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2010	Water level 2019	Meter Size (inches)	How measured:	Active
55-087029	5	25	550	6	Submersible	1981	Unknown		1	Metered	Y
Name of system water d	elivered to:										
ADWR PCC Number:				_			•				
Source of water delivere	d to another system										
Name of system water re	eceived from:						ĺ				
ADWR PCC Number:							ı				
Source of water received	1										
Well registry 55# (55-X											

				Water received			
			Water delivered	(purchased) from	Estimated		
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Purchased Power	Purchased
Month	(gallons)1	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense ⁶	Power (kWh)7
January	58,480.00	57,480.00	0.00	0.00	0.00	\$68	378
February	41,160.00	42,990.00	0.00	0.00	0.00	62	317
March	30,450.00	28,190.00	0.00	0.00	0.00	65	364
April	38,220.00	36,430.00	0.00	0.00	0.00	53	234
May	120,500.00	119,130.00	0.00	0.00	0.00	58	210
June	154,500.00	161,530.00	0.00	0.00	0.00	71	358
July	275,860.00	271,840.00	0.00	0.00	0.00	95	640
August	204,130.00	206,990.00	0.00	0.00	0.00	105	764
September	229,340.00	226,860.00	0.00	0.00	0.00	128	1,027
October	117,630.00	118,450.00	0.00	0.00	0.00	93	601
November	58,930.00	56,860.00	0.00	0.00	0.00	77	422
December	40,650.00	35,010.00	0.00	0.00	0.00	63	264
Totals	1,369,850.00	1,361,760.00	0.00	0.00	0.00	\$938	5,579

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
2 Water sold - Total gallons from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
#VALUE!
6 Enter the total purchased power costs for the power meters associated with this system.
7 Enter the total purchased kWh used by the power meters associated with this system.

Mountain Glen Water Service, Inc. Annual Report Well and Water Usage

1	1	12	1	/1	•

				Well and Wa	er Usage						
Name of the System:		Pinedale									
ADEQ Public Water Syst	tem Number:	AZ0409054					-				
ADWR PCC Number:			NA								
Well registry 55# (55-			Casing Depth	Casing Diameter	Pump Motor			Water level			
XXXXXX):	Pump Horsepower			(inches)	Type **	Year Drilled	2010	2019		measured:	Active
55-584187	5	20	400	6	Submersible	2000	Unknown	Unknown	1	Metered	Yes
Name of system water de	livered to:						1				
ADWR PCC Number:	arcica to:						ı				
Source of water delivered	to another system				ļ!						
	•	•	•								
Name of system water rec	ceived from:										
ADWR PCC Number:	•	•		•		•	-				
Source of water received											
Well registry 55# (55-XX	XXXX):										

				Water received			
			Water delivered	(purchased) from	Estimated		Purchased
	Water withdrawn	Water sold	(sold) to other	other systems	authorized use	Purchased Power	Power
Month	(gallons)1	(gallons)2	systems (gallons)3	(gallons)4	(gallons)5	Expense ⁶	(kWh)7
January	85,530.00	79,060.00	0.00	0.00	0.00	\$97	692
February	47,710.00	44,450.00	0.00	0.00	0.00	81	522
March	32,450.00	32,310.00	0.00	0.00	0.00	66	376
April	40,610.00	32,110.00	0.00	0.00	0.00	57	277
May	44,220.00	37,930.00	0.00	0.00	0.00	88	565
June	61,000.00	54,490.00	0.00	0.00	0.00	112	842
July	115,000.00	103,970.00	0.00	0.00	0.00	156	1,356
August	80,000.00	71,500.00	0.00	0.00	0.00	136	1,116
September	145,020.00	135,450.00	0.00	0.00	0.00	83	506
October	85,550.00	76,150.00	0.00	0.00	0.00	79	445
November	74,930.00	67,030.00	0.00	0.00	0.00	91	577
December	55,158.00	45,040.00	0.00	0.00	0.00	81	465
Totals	867,178.00	779,490.00	0.00	0.00	0.00	\$1,127	7,739

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

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
2 Water sold - Total gallons from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
#VALUE!
6 Enter the total purchased power costs for the power meters associated with this system.
7 Enter the total purchased kWh used by the power meters associated with this system.

Mountain Glen Water Service, Inc. Annual Report Water Utility Plant Description 12/31/19

Water Utility Plant Description			
Name of the System:	LINDEN TRAILS		
ADEQ Public Water System Number:		AZ0409090	
ADWR PCC Number:		91-000400.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	1,150
3.00	PVC	7,85
3.00	CA	1,62
4.00	PVC	25,75
6.00	PVC	10,95
6.00	CA	3,00

SERVICE LINES				
		Year		
Material	Percent of system	installed		
PVC	75%	Various		
Black poly	25%	Various		

	CUSTOMER METERS			
		Percent over	Percent over	
Size (inches)	Quantity	1,00,000 gallons	10 years old	
5/8 X 3/4	392	34%	53%	
1	3	100%	100%	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
5	100	1	
10	200	1	
40	800	1	

STORAGE TANKS				
			Year	
Capacity (gallons)	Material	Quantity	installed	
50,000	Steel	1	2007	
150,000	Steel	1	2002	

FIRE HY	DRANTS
Type	Quantity
Standard *	17
Other	

PRESSURE/BLADDER TANKS			
Capacity			
(gallons)	Material	Quantity	Year installed
85	Steel/rubber	1	2019
85	Steel/rubber	2	Unknown
3,200	Steel	1	2002

* 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.

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

TREATMENT EQUIPMENT:	Chlorination Equipment
STRUCTURES:	10×10 foot concrete block well house on concrete foundation, 10×12 foot wood pump house on concrete foundation, chain link fence around well yard
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 If no historical flow data are available, use:
- (b) ERC = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC 170 Method used: (a) Mountain Glen Water Service, Inc. Annual Report Water Utility Plant Description 12/31/19

Western Heller Direct Description			
Water Utility Plant Description			
Name of the System:	Clay Springs/Ricochet Ranch		
ADEQ Public Water System Number:	AZ0409081		
ADWR PCC Number:	NA		

	MAINS			
Sizes (inches) 4.00	Material PVC	Length (feet) 4,800		

SERVICE LINES				
			Year installed	
Material	Percer	t of system	installed	
PVC		75%	Various	
Black poly		25%	Various	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
3	60	1	
1	22	1	

STORAGE TANKS				
			Year	
Capacity (gallons)	Material	Quantity	installed	
10,000	Poly	1	Unknown	

	CUSTOME	R METERS	
		Percent over	Percent over
Size (inches)	Quantity	1,00,000 gallons	10 years old
5/8 X 3/4	21	9%	13%

FIRE HYDRANTS		
Type	Quantity	
Standard *		0
Other		0

PRESSURE/BLADDER TANKS				
Capacity			Year	
(gallons)	Material	Quantity	installed	
85	Steel/rubber	1	2019	
85	Steel/rubber	1	2005	

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

TREATMENT EQUIPMENT:	Chlorination equipment
	8 x 10 foot concrete block well house on concrete foundation
STRUCTURES:	6 A 10 1000 conferce block well house on conferce foundation
	DV/A
OTHER:	N/A

 $Provide\ a\ calculation\ used\ to\ determine\ the\ value\ of\ one\ water\ equivalent\ residential\ connection\ (ERC).$

Use one of the following methods:

- If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by (a) the average number of single family residence customers for the same period and divide the result by 365 days.
 - If no historical flow data are available, use:
- (b) ERC = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC 162 Method used:

Mountain Glen Water Service, Inc. Annual Report Water Utility Plant Description 12/31/19

Water Utility Plant Description			
Name of the System:	Pinedale		
ADEQ Public Water System Number:	•	AZ0409054	
ADWR PCC Number:		NA	

	MAINS		
Sizes (inches)	Material	Length (feet)	
2.00	PVC	1,100	
3.00	PVC	668	
4.00	PVC	600	
6.00	PVC	2,800	

SERVICE LINES				
		Year		
Material	Percent of system	installed		
PVC	75%	Various		
Black poly	25%	Various		

BOOSTER PUMPS					
Horsepower	GPM	Quantity			
3	60	1			
1	22	1			

STORAGE TANKS						
			Year			
Capacity (gallons)	Material	Quantity	installed			
10,000	Steel	1	2000			

	CUSTOMER METERS					
		Percent over	Percent over			
Size (inches)	Quantity	1,00,000 gallons	10 years old			
5/8 X 3/4	15	13%	27%			

FIRE H	FIRE HYDRANTS				
Type	Quantity				
Standard *	0				
Other	0				

PRESSURE/BLADDER TANKS						
Capacity						
(gallons)	Material	Quantity	Year installed			
85	Steel/rubber	1	2019			
85	Steel/rubber	1	2000			

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	Chlorination equipment
STRUCTURES:	10 x 12 foot concrete block well house on concrete foundation
OTHER:	N/A

 $Provide \ a \ calculation \ used \ to \ determine \ the \ value \ of \ one \ water \ equivalent \ residential \ connection \ (ERC).$

ERC 120 Method used:

Mountain Glen Water Service, Inc. Annual Report Customer and Other Information 12/31/19

Customer and Other Information				
Name of the System:	LINDEN TRAILS	3		
ADEQ Public Water System Number:		AZ0409090		
ADWR PCC Number:		91-000400.0000		

		Nu	mber of Customer	s	
					Other Non-
Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Residential
January	352	0	3	0	0
February	354	0	3	0	0
March	353	0	3	0	0
April	353	0	3	0	0
May	352	0	3	0	0
une	356	0	4	0	0
fuly	358	0	4	0	0
August	356	0	4	0	0
September	359	0	4	0	0
October	359	0	4	0	0
November	357	0	4	0	0
ecember	358	0	4	0	0
	nny have an ADWR Ga ne GPCPD amount:	llons Per Capita P	er Day (GCPCPD)) requirement?	No
Is the Water Util If yes, which AM	lity located in an ADW MA?	R Active Manager	ment Area (AMA)	?	No NA
What is the prese	ent system connection	capacity (in ERCs	*) using existing l	ines?	Unknown
What is the futur	re system connection c	apacity (in ERCs *	() upon service are	a buildout?	Unknown
Describe any pla N/A	ans and estimated comp	pletion dates for an	y enlargements or	improvements of	this system.

 $[\]ensuremath{^*}$ an ERC is based on the calculation on the bottom of AR9 page 12.

Mountain Glen Water Service, Inc. Annual Report Customer and Other Information 12/31/19

	Customer and Other Information	
Name of the System:	Clay Springs/Ricochet Ranch	
ADEQ Public Water System Number:	AZ0409081	
ADWR PCC Number:	NA	
	Number of Customers	

					Other Non-	
Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Residential	
January	21	0	0	0	0	
February	21	0	0	0	0	
March	21	0	0	0	0	
April	21	0	0	0	0	
May	21	0	0	0	0	
June	21	0	0	0	0	
July	21	0	0	0	0	
August	21	0	0	0	0	
September	22	0	0	0	0	
October	22	0	0	0	0	
November	22	0	0	0	0	
December	22	0	0	0	0	
	oany have an ADWR G the GPCPD amount:	allons Per Capita F	Per Day (GCPCPI	O) requirement?	No	
		/R Active Manage	ement Area (AMA	1)?	No	
Is the Water Ut If yes, which A	tility located in an ADV		· ·	,	No NA Unknown	
Is the Water Ut If yes, which A What is the pre	tility located in an ADV MA?	capacity (in ERCs	s *) using existing	; lines?	NA	

 $[\]ensuremath{^*}$ an ERC is based on the calculation on the bottom of AR9 page 12b.

Mountain Glen Water Service, Inc. Annual Report Customer and Other Information 12/31/19

	Cust	omer and Other Information	
Name of the System:	Pinedale		
ADEQ Public Water System Number:		AZ0409054	
ADWR PCC Number:		NA	

Number of Customers

					Other Non-	
Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Residential	
January	15	0	0	0	0	
February	15	0	0	0	0	
March	15	0	0	0	0	
April	14	0	0	0	0	
May	14	0	0	0	0	
June	15	0	0	0	0	
July	15	0	0	0	0	
August	14	0	0	0	0	
September	15	0	0	0	0	
October	15	0	0	0	0	
November	15	0	0	0	0	
December	15	0	0	0	0	
Does the systen	ns fire hydrants, what is	tment?		Yes		0 hrs.
Does the systen Does the Comp If yes, provide t	•	tment? allons Per Capita F	Per Day (GCPCPI	Yes O) requirement?		<u> </u>
Does the System Does the Comp If yes, provide t Is the Water Ut If yes, which A	n have chlorination trea any have an ADWR Ga the GPCPD amount:	tment? allons Per Capita F 0 /R Active Manage	Per Day (GCPCPI] ement Area (AMA	Yes O) requirement?	No	<u> </u>
Does the system Does the Comp If yes, provide to Is the Water Ut If yes, which A What is the pres What is the futu	any have an ADWR Gathe GPCPD amount: ility located in an ADWMA? sent system connection are system connection of	allons Per Capita F 0 /R Active Manage capacity (in ERCs	Per Day (GCPCPI] ement Area (AMA s *) using existing *) upon service an	Yes O) requirement? (a)? I lines? The distribution of the property of the	No No NA Unknown	<u> </u>
Does the system Does the Comp If yes, provide to Is the Water Ut If yes, which A What is the present	any have an ADWR Gathe GPCPD amount: ility located in an ADWMA? sent system connection	allons Per Capita F 0 /R Active Manage capacity (in ERCs	Per Day (GCPCPI] ement Area (AMA s *) using existing *) upon service an	Yes O) requirement? (a)? I lines? The distribution of the property of the	No No NA Unknown	<u> </u>

 $[\]ensuremath{^*}$ an ERC is based on the calculation on the bottom of AR9 page 12c.

Mountain Glen Water Service, Inc. Annual Report Utility Shutoffs / Disconnects 12/31/19

Utility Shutoffs / Disconnects				
Name of the System: LINDEN TRAILS				
ADEQ Public Water System Number: AZ0409090				
ADWR PCC Number:		91-000400.0000		

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	410.C	Other
January	0	1	0
February	0	0	0
March	0	0	0
April	0	3	0
May	0	2	0
June	0	3	0
July	0	3	0
August	0	1	0
September	0	0	0
October	0	4	0
November	0	0	0
December	0	0	0
Total	0	17	0

Other (description):	NA

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.

Mountain Glen Water Service, Inc. Annual Report Utility Shutoffs / Disconnects 12/31/19

Utility Shutoffs / Disconnects				
Name of the System: Clay Springs/Ricochet Ranch				
ADEQ Public Water System Number: AZ0409081				
ADWR PCC Number:		NA		

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	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	1	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	1	0

Other (description):	NA

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.

Mountain Glen Water Service, Inc. Annual Report Utility Shutoffs / Disconnects 12/31/19

Utility Shutoffs / Disconnects				
Name of the System: Pinedale				
ADEQ Public Water System Number: AZ0409054				
ADWR PCC Number:		NA		

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	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):	NA

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.

Mountain Glen Water Service, Inc. Annual Report Property Taxes 12/31/19

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2019 was	\$7,320
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.

Mountain Glen Water Service, Inc. Annual Report Verification and Sworn Statement (Taxes) 12/31/19

Verification:	State of	Arizona		I, the undersigned	l of the		
		(state	name)				
	County of to	ounty name):		Maricopa			
		er or official) title:		Bryan Thomas, C	FO		
	Company na			Vater Service, Inc.			
		_					
	DO SAV TI	IAT THIS ANNII	AL UTILITY PR	OPERTY TAX A	ND SALES TAX REPOR	RT TO THE A	ARIZONA
		TION COMMISSI		:			
							
	EOD THE V	EAR ENDING:		12/31/1	Q		
	FOR THE I	EAR ENDING.		12/31/1			
						DADEDS AND	D DECORDS OF SAID
	HAS BEEN	PREPARED UNI	DER MY DIREC	TION, FROM TH MINED THE SAN	E ORIGINAL BOOKS, I ME. AND DECLARE TH	E SAME TO	BE A COMPLETE AND
	CORRECT	STATEMENT OF	BUSINESS AN	D AFFAIRS OF S	AID UTILITY FOR THE	E PERIOD CO	OVERED BY THIS
	REPORT IN	RESPECT TO E	ACH AND EVE	RY MATTER AN	D THING SET FORTH,	TO THE BE	ST OF MY KNOWLEDGE,
	INFORMAT	TION AND BELIE	8F				
				•			
Sworn Statement:	I HEREBY	ATTEST THAT A	ALL PROPERTY	TAXES FOR SA	ID COMPANY ARE CU	RRENT ANI	O PAID IN FULL.
- 1	<u> </u>						
	LUEBERN	ATTEST THAT A	II SALES TAY	VES FOR SAID CO	OMPANY ARE CURRE	NT AND PA	ID IN FULL.
	I HEKEB I	ATTEST THAT F	ALL SALES TAX	ALS TOR OTHE CO	JIM THE COILLE		
	DI	ECEIVED		0			
				By V	signature of o	owner/officia	
	B	Y EMAIL		,	Signature of C	JWIICI/OITICIU	
	4/15/2	020, 08:25	AM			35-1100	
ARIZO	ONA CORI	PORATION CO	OMMISSION		teleph	one no.	
	UTIL	TIES DIVISIO)N SUBSCRIBED /	AND SWORN TO	BEFORE ME A NOTAF	RY PUBLIC	
			IN AND FOR TH		DEL ORD WIE TITTO	_	Movicopa
				, _ 47			(county name)
			THIS	1512	DAY	· OF	(month) and (year)
						, ,	, , , , , , , , , , , , , , , , , , , ,
			MY COMMISSI	ON EXPIRES	8/	15/202	3
						(date)	
		THE PARTY OF THE P	VERONICA	G GONZALEZ , State of Arizona	/ .		0
			Marico	pa County	Vinning !	II U	mel -
			My Comm	ion # 569848 ission Expires		ghāture of not	ary public)
		1972	Augus	t 15, 2023			

Verification and Sworn Statement (Taxes)

Mountain Glen Water Service, Inc. Annual Report Verification and Sworn Statement 12/31/19

		Verificat	ion and Sworn Stat	ement				
Verification:	S 141.0	ona name)	I, the undersigned	of the				
	County of (county name): Name (owner or official) title: Company name:		Maricopa Bryan Thomas, CI en Water Service, In					
	DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.							
	FOR THE YEAR ENDING:	12/31/1	9					
	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	IE REQUIREM	IENTS OF TITLE 4	O, ARTICLE 8, SECTION 40-401	, ARIZOÑA REVISED DUTILITY DERIVED			
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 (\$) \$206,004 (The amount in the box above includes \$11,914 in sales taxes							
RECEIV BY EM 4/15/2020, 00 ARIZONA CORPORATI UTILITIES D		L 5 AM I COMMISS	billed or collected	signature of ow 623-935-telephon	-1100			
			ED AND SWORN T OR THE COUNTY	O BEFORE ME A NOTARY PU	JBLIC			
		THIS	1512	DAY OF	(county name) April 2020 (month) and (year)			
		MY COMM	2_3					
		Notary Publi Maric Commis My Comn	A G GONZALEZ c, State of Arizona copa County sion # 569848 nission Expires st 15, 2023	Vervin V (signature of no	Jar public)			

Mountain Glen Water Service, Inc. Annual Report Verification and Sworn Statement (Residential Revenue) 12/31/19

		Verificat	ion and Swor	n Statement (Resi	idential Revenue)		
Verification	:	. 52 === 343			· · · · · · · · · · · · · · · · · · ·		
	State of		rizona e name)	I, the undersign	ed of the		
	County of (county name):		Maricopa			
		er or official) titl	e:	Bryan Thomas,	CFO		
	Company na			Glen Water Service			
	DO SAY TI	HAT THIS ANN	UAL UTILIT	Y PROPERTY TA	X AND SALES TAX REPORT T	O THE ARIZONA	
	1	TION COMMIS					
	FOR THE	YEAR ENDING	i: 12/31/1	19			
	TORTIL	TEM BUDING	12,51,				
			SINDIFE WAY IN	DESCRIPTION OF THE PROPERTY OF	CTHE ODIVINIAL DOOVS DAD	EDG ANII) DECODING	
	HAS BEEN	PREPARED UI TII ITV: THAT	NDER MY DI LHAVE CAR	EFULLY EXAMI	TTHE ORIGINAL BOOKS, PAP NED THE SAME, AND DECLAI	RE THE SAME TO	
	BE A COM	PLETE AND CO	ORRECT STA	TEMENT OF BUS	SINESS AND AFFAIRS OF SAII	D UTILITY FOR THE	
					EACH AND EVERY MATTER A		
	FORTH, TO	THE BEST OF	MY KNOWI	LEDGE, INFORMA	ATION AND BELIEF.		
Sworn Statement:	IN ACCOR	DANCE WITH	THE REQUIR	EMENTS OF TIT	LE 40, ARTICLE 8, SECTION 40	0-401, ARIZONA	
2	REVISED S	STATUTES, IT I	S HEREIN RI	EPORTED THAT	THE GROSS OPERATING REV	ENUE OF SAID	
					ILITY OPERATIONS RECEIVED	O FROM	
RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:							
Arizona Intrastate Gross Operating Revenues Only (\$)							
\$200,854							
	(The amount in the box above includes \$11,616 in sales taxes						
				billed or collect			
		RECEIV	/ED				
		BY EM.	AII.		RiTZ		
	1/1				signature of owner	r/official	
		15/2020, 08		AICCION	-		
ARIZONA CORPORATION COMM				623-935-11			
UTILITIES DIVISION					telephone n	10.	
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC							
IN AND			IN AND F	OR THE COUNT		nty name)	
					(000	inty manne,	
			THIS	1512	DAY OF	April 2020	
						(month) and (year)	
			MY COM	MISSION EXPIRE	$\frac{8/15/2023}{\text{(date)}}$		
K ⁱⁿ		VEDOMICACO	ONTALET				
	N W	VERONICA G G otary Public, Star	te of Arizona	//.	- 4 h . 0		
₹(Maricopa C Commission #	569848	Veron	(signature of notary public	<u> </u>	
&		My Commissio August 15,	n Expires		(Manus of Helpis) paosio	,	

Mountain Glen Water Service, Inc. Annual Report Gross-up Sharing Method for Income Tax Statement of Certification 12/31/19

<u></u>	Gr	oss-up Sharing	Method for	Income Tax Statement	of Certification	
Verification:	State of	Arizo	ona	I, the undersigned of th		
	County of (county name): Name (owner or official) title: Company name:			Maricopa Bryan Thomas, CFO en Water Service, Inc.		
	FOR THE YE	AR ENDING:	12/31/19			
Sworn Statement:	REQUIRES TO UTILITY HAS TAX EXPENS GAAP IN AN	HE GROSS UP (S NOT INCURR E OR A DECRI AMOUNT EQU	OF ADVANC ED NOR IS F EASE IN DEF IAL TO OR C	ES AND CONTRIBUTE EXPECTED TO INCUITE TAX ASSET	N NO. 77084, BECAUSE FIONS, I HEREBY STA' R A NET INCREASE IN FOR A CARRY FORWA AMOUNT OF THE REG ANNUAL REPORT.	TE THAT THE CURRENT INCOME ARD ACCORDING TO
AR	B` 4/15/2 IZONA CORI	ECEIVED Y EMAIL 020, 08:25 PORATION C	AM COMMISSIC		signature of own 623-935-1 telephone	100
				ED AND SWORN TO I R THE COUNTY	BEFORE ME A NOTAR <u>Morico Pa</u>	
			THIS	15+2	DAY OF	(month) and (year)
MY COMMI				ISSION EXPIRES	8/15/2023 (date)	3
		VERONICA G GC otary Public, State Maricopa Co Commission # My Commission August 15,	e of Arizona punty 569848 Expires	Veronin	(signature of notary publ	(ic)