

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY**

W-02493A

Forest Highlands Water Company  
2425 William Palmer  
Flagstaff, AZ 860015

**RECEIVED**

MAY 05 2015

AZ CORP COMM  
Director - Utilities

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

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**ANNUAL REPORT**

**Water**

**FOR YEAR ENDING**

12	31	2015
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**FOR COMMISSION USE**

ANN 04	15
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5-6-16

## COMPANY INFORMATION

**Company Name (Business Name)** Forest Highlands Water Company

**Mailing Address** 2425 William Palmer

(Street)

Flagstaff

AZ

86005

(City)

(State)

(Zip)

**928-525-5244**

**928-525-5254**

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Office Mailing Address** Same as above

(Street)

Same as above

Same as above

Same as above

(City)

(State)

(Zip)

**Same as above**

Local Customer Service Phone No. (Include Area Code)

(1-800 or other long distance Customer Service Phone No.)

**Email Address** \_\_\_\_\_ **Website address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Regulatory Contact:**

**Management Contact:** Patricia Ashbrook CFO/Secretary

(Name)

(Title)

**2425 William Palmer**

**Flagstaff**

**AZ**

**86005**

(Street)

(City)

(State)

(Zip)

**928-525-9014**

**928-525-1369**

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** pashbrook@fhgc.com

**On Site Manager:** Bill Strauss

(Name)

**2293 Utility Road**

**Flagstaff**

**AZ**

**86005**

(Street)

(City)

(State)

(Zip)

**928-525-5264**

**928-525-5254**

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** bstrauss@fhgc.com

Statutory Agent: Donald Dyekman

(Name)

2901 N. Central Ave. Suite 200 Phoenix

AZ

85012

(Street)

(City)

(State)

(Zip)

602-285-5000

302-285-5100

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address \_\_\_\_\_

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

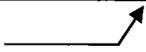
### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE            |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE              |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL               |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA                |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$104,284.43	0.00	104,284.43
302	Franchises	N/A	N/A	N/A
303	Land and Land Rights	N/A	N/A	N/A
304	Structures and Improvements	\$202,123.99	\$118,998.43	83,125.56
305	Collecting & Impounding Reservoirs	N/A	N/A	N/A
306	Lake, River, Canal Intakes	N/A	N/A	N/A
307	Wells and Springs	\$1,586,401.33	\$970,581.72	\$615,819.61
308	Infiltration Galleries	N/A	N/A	N/A
309	Raw Water Supply Mains	N/A	N/A	N/A
310	Power Generation Equipment	N/A	N/A	N/A
311	Pumping Equipment	\$1,444,923.10	\$918,999.32	\$525,923.78
320	Water Treatment Equipment			
320.1	Water Treatment Plants	N/A	N/A	N/A
320.2	Solution Chemical Feeders	N/A	N/A	N/A
320.3	Point-of-Use Treatment Devices	N/A	N/A	N/A
320.4	Arsenic Media	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	\$191,268.50	\$123,727.19	\$67,541.31
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	\$1,687,340.18	\$1,128,415.95	\$558,924.23
333	Services	\$175,200.00	\$115,938.75	\$59,261.25
334	Meters and Meter Installations	\$62,547.31	\$56,055.66	\$6,491.65
335	Hydrants	\$226,995.00	\$150,214.13	\$76,780.87
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	\$67,199.35	\$59,173.21	\$8,026.14
340	Office Furniture and Equipment	\$6,781.28	\$6,404.55	\$376.73
340.1	Computers & Software	\$32,800.91	\$24,010.93	\$8,789.98
341	Transportation Equipment	\$301,507.50	\$159,355.34	\$142,152.16
342	Stores Equipment	N/A	N/A	N/A
343	Tools, Shop and Garage Equipment	\$1,977.14	\$1,153.35	\$823.79
344	Laboratory Equipment	\$1,326.98	\$1,326.98	\$0.00
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	\$9,203.05	\$7,362.64	\$1,840.41
347	Miscellaneous Equipment	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A
	<b>TOTALS</b>	<b>6,095,098.77</b>	<b>\$3,841,718.15</b>	<b>\$2,260,161.90</b>

\*This amount goes on the Balance Sheet Acct. No. 108 

This amount does not include \$704,268.77 of accumulated depreciation on Contributed Assets!

\$704,268.77 + \$3,841,718.15 = Acct. No. 108 balance \$4,545,986.83

**WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost(1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization	\$104,284.43	0.00	\$0.00
302	Franchises	N/A		N/A
303	Land and Land Rights	N/A		N/A
304	Structures and Improvements	\$202,123.99	2%	\$5,892.93
305	Collecting & Impounding Reservoirs	N/A		N/A
306	Lake, River, Canal Intakes	N/A		N/A
307	Wells and Springs	\$1,586,401.33	1%	\$19,979.43
308	Infiltration Galleries	N/A		N/A
309	Raw Water Supply Mains	N/A		N/A
310	Power Generation Equipment	N/A		N/A
311	Pumping Equipment	\$1,444,923.10	15%	\$23,093.39
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	\$191,268.50		\$3,813.31
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	\$1,687,340.18	.05%	\$965.58
333	Services	\$175,200.00	.03%	\$51.13
334	Meters and Meter Installations	\$62,547.31	1%	\$735.34
335	Hydrants	\$226,995.00	.03%	\$66.24
336	Backflow Prevention Devices	N/A		N/A
339	Other Plant and Misc. Equipment	\$67,199.35	7%	\$5,176.16
340	Office Furniture and Equipment	\$6,781.28	32%	\$2,260.43
340.1	Computers & Software	\$32,800.91	18%	\$6,622.39
341	Transportation Equipment	\$301,507.50	11%	\$37,014.57
342	Stores Equipment	\$0.00		N/A
343	Tools, Shop and Garage Equipment	\$1,977.14	3%	\$98.86
344	Laboratory Equipment	\$1,326.98	1%	\$22.10
345	Power Operated Equipment	\$0.00	N/A	N/A
346	Communication Equipment	\$9,203.05	9%	\$920.33
347	Miscellaneous Equipment	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A
	<b>SUBTOTAL</b>			\$103,513.86
	<b>LESS CIAC Amortization</b>			
	<b>TOTALS *</b>			\$103,513.86

\*This amount goes on the Comparative Statement of Income and Expense Acct. No. 403 

**WATER UTILITY BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ (6,069.29)	\$ (36,977.73)
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$8,263.03	\$9,257.08
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	\$953.45	\$126.39
162	Prepayments	\$6,028.50	0.00
174	Miscellaneous Current and Accrued Assets	\$(263.67)	\$(697.04)
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 8,912.02</b>	<b>\$ (28,291.30)</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 7,041,915.43	\$ 7,165,938.47
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	\$(4,384,703.16)	\$(4,545,986.27)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 2,657,212.27</b>	<b>\$ 2,619,952.20</b>
	<b>TOTAL ASSETS</b>	<b>\$ 2,666,124.29</b>	<b>\$ 2,591,660.90</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**WATER UTILITY BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
<b>LIABILITIES</b>			
<b>CURRENT LIABILITES</b>			
231	Accounts Payable	\$ 2,952.65	\$ 2,612.63
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	\$58,400.16	\$58,125.93
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 61,352.81</b>	<b>\$ 60,738.56</b>
<b>LONG-TERM DEBT (Over 12 Months)</b>			
224	Long-Term Notes and Bonds	\$	\$
<b>DEFERRED CREDITS</b>			
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	\$2,028,249.63	\$1,920,431.88
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 2,028,249.63</b>	<b>\$ 1,920,431.88</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 2,089,602.44</b>	<b>\$ 1,981,170.44</b>
<b>CAPITAL ACCOUNTS</b>			
201	Common Stock Issued	\$ 4,861,824.00	\$ 4,861,824.00
211	Paid in Capital in Excess of Par Value	\$1,192,626.84	\$1,365,908.56
215	Retained Earnings	\$(5,477,928.99)	\$(5,617,242.10)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$ 576,521.85</b>	<b>\$ 610,490.46</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 2,666,124.29</b>	<b>\$ 2,591,660.90</b>

**WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 477,239.54	\$ 457,529.02
460	Unmetered Water Revenue		
474	Other Water Revenues	\$8,923.80	\$9,057.03
	<b>TOTAL REVENUES</b>	<b>\$ 486,163.34</b>	<b>\$ 466,586.05</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 220,529.23	\$ 236,856.24
610	Purchased Water		
615	Purchased Power	\$55,089.18	\$53,010.56
618	Chemicals	\$186.21	\$(70.49)
620	Repairs and Maintenance	\$18,921.20	\$15,783.99
621	Office Supplies and Expense	\$6,742.96	\$9,243.96
630	Outside Services	\$30,460.00	\$29,960.00
635	Water Testing	\$894.29	\$867.64
641	Rents	\$11,784	\$11,784.00
650	Transportation Expenses	\$18,673.87	\$12,179.59
657	Insurance – General Liability	\$23,528.75	\$21,399.50
659	Insurance - Health and Life	\$50,216.33	\$58,035.44
666	Regulatory Commission Expense – Rate Case	n/a	n/a
675	Miscellaneous Expense	\$37,138.19	\$32,485.50
403	Depreciation Expense	\$103,043.81	\$103,513.76
408	Taxes Other Than Income	\$69.52	0.00
408.11	Property Taxes	\$18,913.88	\$18,149.48
409	Income Tax	\$50.00	\$50.00
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ (596,241.42)</b>	<b>\$ (605,899.17)</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (110,078.08)</b>	<b>\$ (139,313.12)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 0.00	\$ 0.00
421	Non-Utility Income	0.00	0.00
426	Miscellaneous Non-Utility Expenses	0.00	0.00
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (110,078.08)</b>	<b>\$ (139,313.12)</b>

<b>COMPANY NAME</b>	Forest Highlands Water Company
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**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				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ <u>N/A</u>
Meter Deposits Refunded During the Test Year	\$ <u>N/A</u>

<b>COMPANY NAME</b>	Forest Highlands Water Company
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b> 03-073

**WATER UTILITY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-514733	40	82	1195	12	4	1986
55-515547	40	68	1405	12	4	1986
55-5517583	75	115	1250	12	4	1987
55-588893	30	60	1380	10	4	2002

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
N/A		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
10	5	180	

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
500,000	1		

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME</b>	Forest Highlands Water Company
<b>Name of System:</b>	ADEQ Public Water System Number: 03-073

**WATER UTILITY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	C-900	130
3	C-900	2640
4		
5		
6	C-900	17,383
8	C-900	59,292
10	C-900	25,154
12	C-900	3,162

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	730
1	5
1 1/2	2
2	9
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	1
Turbo 6	

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

**TREATMENT EQUIPMENT:**

N/a

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**STRUCTURES:**

Booster Station with 500,000 Gallon Tank

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(5) 10 Horsepower Booster Pumps

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Diesel Fire Pump

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3 Well Houses

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Booster Station Building

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**OTHER:**

N/a

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***Note: If you are filing for more than one system, please provide separate sheets for each system.***

COMPANY NAME: Forest Highlands Water Company
Name of System: ADEQ Public Water System Number: 03-073

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	741	1554	1554	0
FEBRUARY	741	496	2512	0
MARCH	741	97	1067	0
APRIL	742	1840	8085	0
MAY	742	3389	13703	0
JUNE	745	6636	11719	0
JULY	746	4982	16088	0
AUGUST	746	3952	9269	0
SEPTEMBER	747	5302	10215	0
OCTOBER	747	4969	6919	0
NOVEMBER	747	2550	3201	0
DECEMBER	747	6559	6559	0
<b>TOTALS →</b>		<b>42,326</b>	<b>90,891</b>	

What is the level of arsenic for each well on your system? SEE ATTACHED mg/l  
*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? 2000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
 Yes       No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
 Yes       No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
 Yes       No

If yes, provide the GPCPD amount: N/A

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

**Forest Highlands Arsenic Levels per Well  
System # 04-03-073**

**Results in mg/L**

**Well # 1    0.0015    (2011, next sample 2020)**

**Well # 3    <0.0010    (2008, next sample 2017)**

**Well # 4    0.0021    (2011, next sample 2020)**

**Well # 5b   0.0026    (2014, next sample 2017)**

<b>COMPANY NAME: FOREST HIGHLANDS WATER COMPANY</b>	
<b>Name of System:</b>	<b>ADEQ Public Water System Number: 03-073</b>

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-410.B</b>	<b>Termination with Notice R14-2-410.C</b>	<b>OTHER</b>
<b>JANUARY</b>			
<b>FEBRUARY</b>			
<b>MARCH</b>			
<b>APRIL</b>			
<b>MAY</b>			
<b>JUNE</b>			
<b>JULY</b>			
<b>AUGUST</b>			
<b>SEPTEMBER</b>			
<b>OCTOBER</b>			
<b>NOVEMBER</b>			
<b>DECEMBER</b>			
<b>TOTALS →</b>	<b>0</b>	<b>0</b>	<b>n/a</b>

OTHER (description):

**No shut-offs in 2015**

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COMPANY NAME Forest Highlands Water Company YEAR ENDING 12/31/2015

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 18,504.17

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED  
MAY 05 2016  
AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) Coconino	
NAME (OWNER OR OFFICIAL) TITLE	PATRICIA ASHBROOK, SECRETARY
COMPANY NAME Forest Highlands Water Company	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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.

SIGNATURE OF OWNER OR OFFICIAL

928-525-9014

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

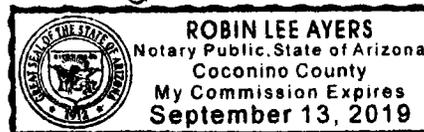
THIS 28th DAY OF

COUNTY NAME	Coconino
MONTH	April, 2016

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 9-13-2019



**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

MAY 08 2016

AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Coconino
NAME (OWNER OR OFFICIAL) TITLE	Patricia Ashbrook, Secretary
COMPANY NAME	Forest Highlands Water Company

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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 REQUIREMENT 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 CALENDAR YEAR 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ 501,212.65

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 34,626.60  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
SIGNATURE OF OWNER OR OFFICIAL

---

928-525-9014  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

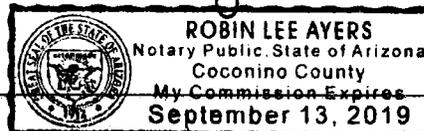
THIS 28th DAY OF

COUNTY NAME	Coconino
MONTH	April
	20 <u>16</u>

(SEAL)

MY COMMISSION EXPIRES

09-13-2019   
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

**RECEIVED**

MAY 05 2016

AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) <b>Coconino</b>	
NAME (OWNER OR OFFICIAL) <b>Patricia Ashbrook</b>	TITLE <b>Secretary</b>
COMPANY NAME <b>Forest Highlands Water Company</b>	

I, THE UNDERSIGNED  
OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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.

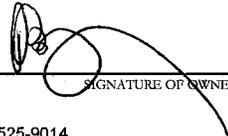
**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, 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 CALENDAR YEAR 2015 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES  \$ 418,290.10
--

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 29,397.98  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

  
SIGNATURE OF OWNER OR OFFICIAL  
  
928-525-9014  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS **28th** DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME <b>Coconino</b>	
MONTH <b>April</b>	, 20 <b>16</b>

(SEAL)

MY COMMISSION EXPIRES **9-13-2019**

  
SIGNATURE OF NOTARY PUBLIC

