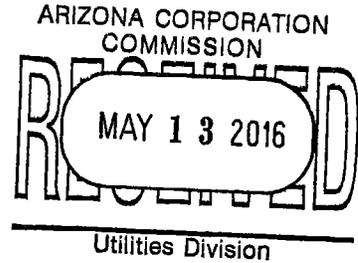


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02467A

Granite Mountain Water Company
PO Box 350
Chino Valley, AZ 86323



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:

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2015
----	----	------

FOR COMMISSION USE

ANN 04	15
--------	----

5-13-16

COMPANY INFORMATION

Company Name (Business Name) Granite Mountain Water Co

Mailing Address PO BOX 350
(Street)

Chino Valley AZ 86323
(City) (State) (Zip)

928-308-2370 928-636-0684
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address PDL@leviegrou.com

Local Office Mailing Address Same
(Street)

(City) (State) (Zip)

Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)

Email Address PDL@leviegrou.com **Website address** Granite Mountain Water.com

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Paul D Levie Owner
(Name) (Title)

PO BOX 350 Chino Valley AZ 86323
(Street) (City) (State) (Zip)

928-778-2600 928-636-0684
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address PDL@Leviigroup.com

On Site Manager: _____
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Paul D Levie

(Name)

PO BOX 350
(Street)

Chino Valley
(City)

AZ
(State)

86323
(Zip)

928-778-2600

Telephone No. (Include Area Code)

928-636-0684

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Paul D Levie

(Name)

PO BOX 350
(Street)

Chino Valley
(City)

AZ
(State)

86323
(Zip)

928-778-2600

Telephone No. (Include Area Code)

928-636-0684

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

Sole Proprietor (S)

C Corporation (C) (Other than Association/Co-op)

Partnership (P)

Subchapter S Corporation (Z)

Bankruptcy (B)

Association/Co-op (A)

Receivership (R)

Limited Liability Company

Other (Describe) _____

COUNTIES SERVED

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

APACHE

COCHISE

COCONINO

GILA

GRAHAM

GREENLEE

LA PAZ

MARICOPA

MOHAVE

NAVAJO

PIMA

PINAL

SANTA CRUZ

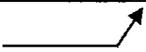
YAVAPAI

YUMA

STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	110	110	0
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	21608	20305	1303
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs	52028	47056	4972
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment	10406	3758	6648
311	Pumping Equipment	94777	79412	15365
320	Water Treatment Equipment	2077	730	1347
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	169694	82386	87308
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	415163	310794	104369
333	Services	55852	49977	5875
334	Meters and Meter Installations	6758	3242	3516
335	Hydrants	8774	3340	5434
336	Backflow Prevention Devices	1027	389	638
339	Other Plant and Misc. Equipment	4850	4850	0
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment	26457	13589	12868
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	5000	5000	0
346	Communication Equipment	4353	4353	21
347	Miscellaneous Equipment			
348	Other Tangible Plant	20	20	0
	TOTALS	878953	629889	249064

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

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	110	0%	0
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	21608	2%	432
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs	52028	4%	2081
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment	10406	5%	520
311	Pumping Equipment	94777	3%	2843
320	Water Treatment Equipment	2077	5%	104
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	169694	5%	8485
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	415163	3%	12454
333	Services	55852	5%	2793
334	Meters and Meter Installations	6758	5%	338
335	Hydrants	8774	5%	439
336	Backflow Prevention Devices	1027	5%	51
339	Other Plant and Misc. Equipment	4850	0%	0
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment	26457	20%	5291
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	5000	5%	250
346	Communication Equipment	4353	15%	21
347	Miscellaneous Equipment			
348	Other Tangible Plant	20	0%	0
	SUBTOTAL	878983		36102
	LESS CIAC Amortization			
	TOTALS *	878953		36102

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

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$26270.84	\$20678.56
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	11663.09	4618.27
145	Employee Loans- Recievables	456.50	
146	Notes/Receivables from Associated Companies	31359.62	56790.14
151	Plant Material and Supplies	123.12	122.72
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$69873.17	\$82209.69
	FIXED ASSETS		
101	Utility Plant in Service	\$866665.77	\$1133611.19
103	Property Held for Future Use	13554.95	13554.95
105	Construction Work in Progress	51375.56	
108	Accumulated Depreciation - Utility Plant	(556044.71)	(629889.00)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$375551.57	\$517277.14
	TOTAL ASSETS	\$445424.74	\$599486.83

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
	LIABILITIES		
	CURRENT LIABILITES		
2110	Direct Deposit Liabilities	410.64	\$410.64
232	Notes Payable (Current Portion)		
233	Shit Term Debt PDL Trust		54225.00
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	200.00	400.00
236	Accrued Taxes	(199.85)	2429.95
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	898.90	(367.14)
	TOTAL CURRENT LIABILITIES	\$1309.69	\$56687.81
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$30554.11	\$171572.49
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$36728.40	\$36728.40
252	Advances in Aid of Construction	8308.00	6257.50
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	\$45036.40	\$42985.90
	TOTAL LIABILITIES	\$76900.20	\$100084.35
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$177139.19	\$177139.19
211	Paid in Capital in Excess of Par Value	405722.32	
215	Retained Earnings	(240692.71)	(211971.91)
217	Yearly Div	(1800.00)	(1800)
218	Proprietary Capital (Sole Props and Partnerships)		
	Net Income	28155.74	(41259.61)
	TOTAL CAPITAL	\$369350.68	\$327829.99
	TOTAL LIABILITIES AND CAPITAL	\$445424.74	\$599486.83

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$114972.22	\$105358.97
460	Unmetered Water Revenue		
474	Other Water Revenues	1077.42	820.11
850	Gain (Loss) on Disposal of Asset	(5926.39)	\$
	TOTAL REVENUES	110123.25	106179.08
	OPERATING EXPENSES		
601	Salaries and Wages	\$30350.70	\$34319.67
610	Purchased Water		
612	Bank Charges		64.00
615	Purchased Power	10267.64	16710.51
618	Chemicals	101.43	51.68
620	Materials and Supplies	3133.50	6977.54
621	Office Supplies and Expense	4884.25	6862.31
630	Outside Services	4754.01	4266.78
632	License and Permits	25.00	
635	Water Testing	1970.41	2604.82
641	Rents	1800.00	1800.00
650	Transportation Expenses	3449.27	2807.60
655	Insurance - General Liability	2316.00	5573.32
659	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate Case	7655.42	22993.65
675	Miscellaneous Expense	579.40	189.24
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$115799.42	\$145728.08
	OPERATING INCOME/(LOSS)	\$(5676.17)	\$(39549.00)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	463.64	1710.61
910	Prior Year Errors	6412.89	
	TOTAL OTHER INCOME/(EXPENSE)	\$(6876.53)	\$1710.61
	NET INCOME/(LOSS)	\$(12552.70)	\$(41259.61)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	9/12/2014			
Source of Loan	WIFA			
ACC Decision No.				
Reason for Loan	Install new Well			
Dollar Amount Issued	\$181320.00	\$	\$	\$
Amount Outstanding	\$174461.87	\$	\$	\$
Date of Maturity	5/1/1934			
Interest Rate	3.938%	%	%	%
Current Year Interest	\$401.39	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 6757.50
Meter Deposits Refunded During the Test Year	\$1908.50

COMPANY NAME Granite Mountain Water Co

Name of System: ADEQ Public Water System Number: W-02467A

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-554078	15	125	500	6	3	1196
55-511771	15	65	362	6	2	2004
55-220316	Not in Use	65	TBD	6	3	TBD
55-502453	Not in Use	10	340	7	N/A	1982
55-511301	Not in Use	None	288	6	N/A	1985
55-210719	15	27	360	5	2	2006

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2	3	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
11,700	1	2000	1
50,000	1		

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

COMPANY NAME Granite Mountain Water Co	
Name of System:	ADEQ Public Water System Number: W-02467A

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	<u>PVC</u>	<u>708</u>
3		
4	<u>PVC</u>	<u>16114</u>
5		
6	<u>PVC</u>	<u>19098</u>
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	<u>98</u>
3/4	
1	<u>34</u>
1 1/2	
2	<u>1</u>
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT: Chlorination Pump Feeder System

STRUCTURES: 4- Well House Structures 10'x12'

1- Pressure tank Facility containing 2,000 Gallons Pressure tank and pumping Equipment

OTHER:

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

COMPANY NAME: Granite Mountain Water Co	
Name of System:	ADEQ Public Water System Number: W-02467A

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	129	460	678	0
FEBRUARY	130	447	744	0
MARCH	130	618	1034	0
APRIL	132	766	1232	0
MAY	134	782	1608	0
JUNE	137	1174	2303	0
JULY	133	1244	1472	0
AUGUST	133	1079	1130	0
SEPTEMBER	133	868	1116	0
OCTOBER	134	763	881	0
NOVEMBER	133	600	779	0
DECEMBER	133	705	803	0
TOTALS →		9506	13780	0

What is the level of arsenic for each well on your system? _____ mg/l

55-51171=.0022mg/l

55-554078=.0020mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ 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: _____

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

COMPANY NAME:	
Name of System:	ADEQ Public Water System Number: W-02467A

UTILITY SHUTOFFS / DISCONNECTS

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

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2015 was \$ 1949.28

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**

ARIZONA CORPORATION
COMMISSION

RECEIVED
MAY 13 2016

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Yavapai	Utilities Division
NAME (OWNER OR OFFICIAL) TITLE Paul D Levis	
COMPANY NAME Granite Mountain 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

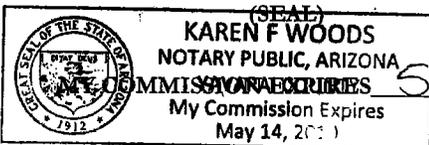
TELEPHONE NUMBER

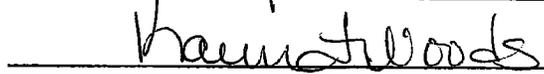
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

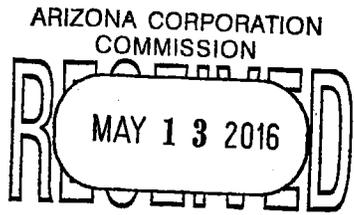
THIS DAY OF

COUNTY NAME	Yavapai	
MONTH	May	2016




SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only



VERIFICATION
STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Yavapai	Utilities Division
NAME (OWNER OR OFFICIAL) TITLE Paul D Levie	
COMPANY NAME Granite Mountain Water Co	

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 (\$)
\$ 113789.75

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 7610.67
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

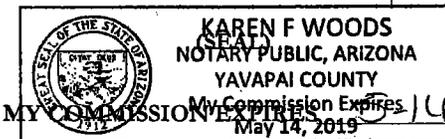
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

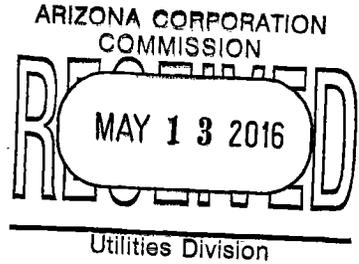
COUNTY NAME	Yavapai
MONTH	May 2016

THIS DAY OF



SIGNATURE OF NOTARY PUBLIC

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



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai</u>	
NAME (OWNER OR OFFICIAL) <u>Paul D Levie</u>	TITLE <u>Owner</u>
COMPANY NAME <u>Granite Mountain Water Co</u>	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2015</u>

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 \$ <u>113789.75</u>
--

**THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 7610.67
IN SALES TAXES BILLED, OR COLLECTED)**

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

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

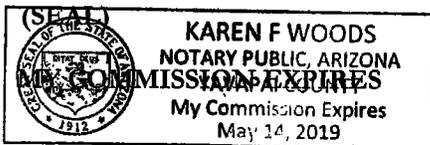
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

<u>11</u>

DAY OF

NOTARY PUBLIC NAME <u>Karen F Woods</u>	
COUNTY NAME <u>Yavapai</u>	
MONTH <u>May</u>	YEAR <u>2016</u>



SIGNATURE OF NOTARY PUBLIC