

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03230A

Twin Hawks Utility, Inc.
PO Box 70022
Tucson, AZ 85737

RECEIVED

APR 22 2016
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:

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2015
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FOR COMMISSION USE

ANN 04	15
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4-28-16

COMPANY INFORMATION

Company Name (Business Name) _____ Twin Hawks Utility, Inc _____

Mailing Address _____ PO Box 70022 _____
(Street)

_____ **Tucson** _____ **Arizona** _____ **85737** _____
(City) (State) (Zip)

_____ **520-904-0741** _____ **520-904-0741** _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____ **cwh2serv@msn.com** _____

Local Office Mailing Address _____ Same As Above _____
(Street)

_____ (City) _____ (State) _____ (Zip)

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

Email Address _____ **Website address** _____ **www.cwh2services.com** _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: _____ Christopher W Hill _____ President _____
(Name) (Title)

_____ **PO Box 70022** _____ **Tucson** _____ **Arizona** _____ **85737** _____
(Street) (City) (State) (Zip)

_____ **520-904-0741** _____ **520-904-0741** _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____ **cwh2serv@msn.com** _____

On Site Manager: _____ 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 _____

Statutory Agent: Christopher W, Hill
(Name)

PO Box 70022 Tucson Arizona 85737
(Street) (City) (State) (Zip)

520-904-0741 520-904-0741
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Snell and Wilmer
(Name)

One Church Street Tucson Arizona 85716
(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 type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" 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) _____ | |

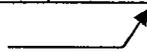
COUNTIES SERVED

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 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 checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

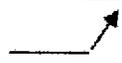
UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	18,600		18,600
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs	19,500	5,554	13,946
308	Infiltration Galleries	4,202	3,084	1,118
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment			
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	10,600	2,110	8,490
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	20,221	3,628	16,593
333	Services	3,500	775	2,725
334	Meters and Meter Installations	1,000	740	260
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	8,265	2,493	5,772
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	2,500	917	1,583
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	88,388	19,301	69,087

*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			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs	19,500	3.33	650
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	4,202	12.50	525
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	10,600	2.22	235
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	20,221	2.00	404
333	Services	3,500	3.33	116
334	Meters and Meter Installations	1,000	8.33	83
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	8,265	6.67	551
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	2,500	10.00	250
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	SUBTOTAL			
	LESS CIAC Amortization			
	TOTALS *	69,788		2,814

*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	\$10,751	\$14,635
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	635	543
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$11,386	\$15,178
	FIXED ASSETS		
101	Utility Plant in Service	\$88,388	\$88,388
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	16,487	19,301
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$71,901	\$69,087
	TOTAL ASSETS	\$83,287	\$84,265

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		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	38	34
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$38	\$34
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$38	\$34
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value	19,000	19,000
215	Retained Earnings	64,249	65,197
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$83,249	\$84,231
	TOTAL LIABILITIES AND CAPITAL	\$83,287	\$84,265

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$7,089	\$7,565
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$7,089	\$7,565
	OPERATING EXPENSES		
601	Salaries and Wages		
610	Purchased Water		
615	Purchased Power	1402	1167
618	Chemicals		
620	Repairs and Maintenance	215	532
621	Office Supplies and Expense	39	
630	Outside Services	175	300
635	Water Testing		
641	Rents		
650	Transportation Expenses		
667	Communication / Internet Telemetry	600	600
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2,973	2,973
403	Depreciation Expense	2,814	2,814
408	Taxes Other Than Income		
408.11	Property Taxes	364	371
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$8,582	\$5,784
	OPERATING INCOME/(LOSS)	\$(1,493)	\$948
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$0	\$0
	NET INCOME/(LOSS)	\$(1,493)	\$948

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
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	\$0
Meter Deposits Refunded During the Test Year	\$0

COMPANY NAME Twin Hawks Utility, Inc	
Name of System: Twin Hawks	ADEQ Public Water System Number: NA

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-636404	5	25	725	8	1	

* 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
2	2		
5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	300	1
10,000	1		

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

COMPANY NAME Twin Hawks Utility, Inc

Name of System: Twin Hawks **ADEQ Public Water System Number:** NA

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	14
3/4	
1	
1 1/2	
2	
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:

STRUCTURES:

OTHER:

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

COMPANY NAME: Twin Hawks Utility, Inc	
Name of System: Twin Hawks	ADEQ Public Water System Number: NA

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	14	43.65	52.32	
FEBRUARY	14	39.39	46.41	
MARCH	14	42.21	48.08	
APRIL	14	62.36	67.70	
MAY	14	67.85	73.64	
JUNE	14	77.90	82.71	
JULY	14	77.23	82.73	
AUGUST	14	95.84	100.49	
SEPTEMBER	14	64.85	70.66	
OCTOBER	14	48.77	52.41	
NOVEMBER	14	36.78	44.99	
DECEMBER	14	40.87	49.96	
TOTALS →		694.70	772.05	

What is the level of arsenic for each well on your system? _____ <.01 _____ mg/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: Twin Hawks Utility, Inc

Name of System: Twin Hawks

ADEQ Public Water System Number: NA

UTILITY SHUTOFFS / DISCONNECTS

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

OTHER (description):

COMPANY NAME Twin Hawks Utility, Inc. YEAR ENDING 12/31/2015

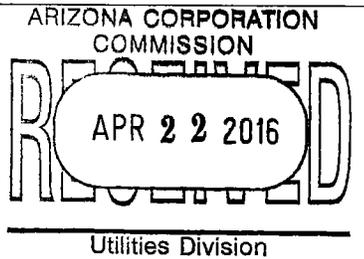
PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 371

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



VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	Carolanne Wilson - President
COMPANY NAME	Two Hawks Utility, Inc

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

FOR THE YEAR ENDING

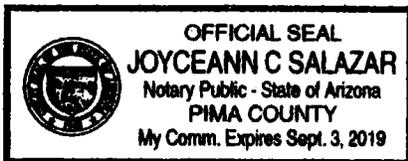
MONTH	DAY	YEAR
12	31	2015

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.



J m L

SIGNATURE OF OWNER OR OFFICIAL
520-904-0741

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 20th DAY OF

COUNTY NAME	PIMA	
MONTH	APRIL	2016

(SEAL)

MY COMMISSION EXPIRES Sept. 3, 2019

Joyceann C Salazar

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION
RECEIVED
APR 22 2016

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	PINAL
NAME (OWNER OR OFFICIAL) TITLE	Christopher W. Hill - President
COMPANY NAME	Twin Hawks Utility, Inc

Utilities Division

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

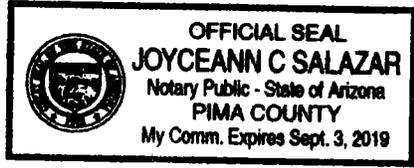
FOR THE YEAR ENDING

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 (\$)
\$ 7182

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 451 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)**

Ch Hill

SIGNATURE OF OWNER OR OFFICIAL

520-904-0747

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 20th DAY OF

COUNTY NAME	PIMA	
MONTH	APRIL	2016

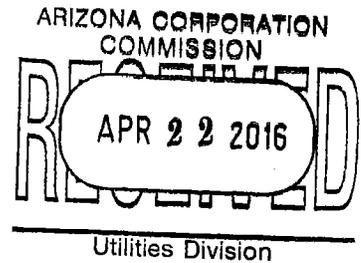
(SEAL)

Joyceann C Salazar

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES Sept. 3, 2019

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



VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>PINAL</u>	
NAME (OWNER OR OFFICIAL) <u>CHRISTOPHER W. HILL</u>	TITLE <u>President</u>
COMPANY NAME <u>PINAL HILLS UTILITY, INC</u>	

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.

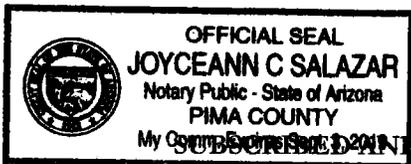
SWORN STATEMENT

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
\$ <u>7182</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 451
IN SALES TAXES BILLED, OR COLLECTED)

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



[Signature]
SIGNATURE OF OWNER OR OFFICIAL
520-909-6741
TELEPHONE NUMBER

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

NOTARY PUBLIC NAME <u>Joyceann C Salazar</u>	
COUNTY NAME <u>PIMA</u>	
MONTH <u>APRIL</u>	, 20 <u>16</u>

THIS 20th DAY OF

(SEAL)
MY COMMISSION EXPIRES
SEP. 3, 2019

[Signature]
SIGNATURE OF NOTARY PUBLIC