ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

E-01749A

Graham County Electric Cooperative, Inc.
PO Drawer B
Pima, AZ 85543

RECEIVED
APR 18 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
Electric

FOR YEAR ENDING

12	31	2015

FOR COMMISSION USE

ANN 01	15

4-22-16

COMPANY INFORMATION

Company Name (Business Name) Graham County Electric Cooperative, Inc.

Mailing Address PO Drawer B
(Street)

Pima | Arizona | 85543
(City) | (State) | (Zip)

(928) 485-2451 | (928) 485-9491 | (928) 651-3380
Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code)

Email Address kgray@gce.coop

Local Office Mailing Address PO Drawer B
(Street)

Pima | Arizona | 85543
(City) | (State) | (Zip)

(928) 485-2451
Local Customer Service Phone No. (Include Area Code) | (1-800 or other long distance Customer Service Phone No.)

Email Address kgray@gce.coop | Website address www.gce.coop

MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☐ **Management Contact:** Kirk Gray (Name) | General Manager (Title)

PO Drawer B (Street) | Pima (City) | Arizona (State) | 85543 (Zip)

(928) 485-2451 | (928) 485-9491 | (928) 651-3380
Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code)

Email Address kgray@gce.coop

On Site Manager: Kirk Gray
(Name)

PO Drawer B (Street) | Pima (City) | Arizona (State) | 85543 (Zip)

(928) 485-2451 | (928) 485-9491 | (928) 651-3380
Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code)

Email Address kgray@gce.coop

Statutory Agent: J. Grant Walker
(Name)

1124 Thatcher Blvd. Suite 202	Safford	Arizona	85546
(Street)	(City)	(State)	(Zip)

(928) 428-2728	(928) 485-9491	(480) 747-3121
Telephone No. (Include Area Code)	Fax No. (Include Area Code	Cell No. (Include Area Code)

Attorney: J. Grant Walker
(Name)

1124 Thatcher Blvd, Suite 202	Safford	Arizona	85543
(Street)	(City)	(State)	(Zip)

(928) 428-2728	(928) 485-9491	(480) 747-3121
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)

Email Address grant@jgwalkerlaw.com

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☐ **Partnership (P)**
- ☐ **Bankruptcy (B)**
- ☐ **Receivership (R)**
- ☐ **Other (Describe)** _____
- ☐ **C Corporation (C) (Other than Association/Co-op)**
- ☐ **Subchapter S Corporation (Z)**
- ☒ **Association/Co-op (A)**
- ☐ **Limited Liability Company**

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**		

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

- [X] **Electric**
  - [ ] Investor Owned Electric
  - [X] Rural Electric Cooperative
  - [ ] Utility Distribution Company
  - [ ] Electric Service Provider
    - [ ] Transmission Service Provider
    - [ ] Meter Service Provider
    - [ ] Meter Reading Service Provider
    - [ ] Billing and Collection
    - [ ] Ancillary Services
    - [ ] Generation Provider
    - [ ] Aggregator/Broker

- [ ] **Other** (Specify)_____

STATISTICAL INFORMATION

Retail Information

	Number of Arizona Customers	Number of kWh Sold in Arizona
Residential	7,892	76,567,214
Commercial	898	59,089,028
Industrial	2	1,972,680
Public Street and Highway Lighting	3	255,960
Irrigation	460	10,667,937
Total Retail	**9,255**	**148,552,819**

Wholesale Information

	Number of Customers	Number of kWh Sold
Resale		
Short-term Sales (durations of less than one year)		
Total Wholesale		

Total MWh Sold 148,553 _____ MWh

Maximum Peak Load 43 _____ MW

COMPANY NAME:

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2-211.B	Termination with Notice R14-2-211	OTHER
JANUARY			137	
FEBRUARY			52	
MARCH			92	
APRIL			105	
MAY			151	
JUNE			54	
JULY			92	
AUGUST			76	
SEPTEMBER			99	
OCTOBER			144	
NOVEMBER			39	
DECEMBER			77	
TOTALS →			1,118	

OTHER (description):

VERIFICATION
AND
SWORN STATEMENT

Intrastate Revenues Only

RECEIVED
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Director - Utilities

VERIFICATION

STATE OF _____ COUNTY OF (COUNTY NAME): Graham

I, THE UNDERSIGNED — NAME (OWNER OR OFFICIAL) TITLE: Kirk Gray, General Manager

OF THE — COMPANY NAME: Graham County Electric Cooperative, Inc.

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 ($)

$ 18,373,920

(THE AMOUNT IN BOX ABOVE INCLUDES $ 1,167,385 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)

Kirk Gray
SIGNATURE OF OWNER OR OFFICIAL

(928) 485-5451
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF COUNTY NAME Graham

THIS 14th DAY OF MONTH April, 2016

(SEAL)

Diane Curtis Junion
SIGNATURE OF NOTARY PUBLIC

DIANE CURTIS JUNION
Notary Public - State of Arizona
GRAHAM COUNTY
My Commission Expires
March 25, 2018

MY COMMISSION EXPIRES 3-25-2018

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED
APR 18 2016
AZ CORP COMM
Director - Utilities

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Graham	
NAME (OWNER OR OFFICIAL) Kirk Gray	TITLE General Manager
COMPANY NAME Graham County Electric Cooperative, Inc.	

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
$ 9,551,903

(THE AMOUNT IN BOX AT LEFT INCLUDES $ 622,708 IN SALES TAXES BILLED, OR COLLECTED

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

Kirk Gray
SIGNATURE OF OWNER OR OFFICIAL

(928) 485-5451
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

NOTARY PUBLIC NAME	Diane Curtis Junion	
COUNTY NAME Graham		
MONTH	April	,2016

THIS 14th DAY OF

(SEAL)

MY COMMISSION EXPIRES 3-25-2018

Diane Curtis Junion
SIGNATURE OF NOTARY PUBLIC

DIANE CURTIS JUNION
Notary Public - State of Arizona
GRAHAM COUNTY
My Commission Expires
March 25, 2018

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County Electric Coop., Inc.
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.

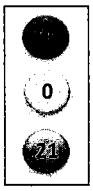
CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

Signature of Office Manager or Accountant — Date: 4/14/16

Signature of Manager — Date: 4/14/16

BALANCE CHECK RESULTS



Needs Attention

Please Review

Matches

AUTHORIZATION CHOICES

A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA? YES / NO

B. Will you authorize CFC to share your data with other cooperatives? YES / NO

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE LAST YEAR (a)	YEAR-TO-DATE THIS YEAR (b)	YEAR-TO-DATE BUDGET (c)	THIS MONTH (d)
1. Operating Revenue and Patronage Capital	18,252,924	17,204,339	19,060,345	1,136,159
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	11,521,175	10,622,967	12,149,220	709,752
4. Transmission Expense	136,785	62,651	140,625	3,576
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	883,162	794,384	903,174	52,696
7. Distribution Expense - Maintenance	1,256,692	1,478,530	1,277,840	78,695
8. Consumer Accounts Expense	754,320	772,555	767,704	68,179
9. Customer Service and Informational Expense	0	0	0	0
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	1,234,783	1,417,881	1,266,621	84,731
12. Total Operation & Maintenance Expense (2 thru 11)	**15,786,917**	**15,148,968**	**16,505,184**	**997,629**
13. Depreciation & Amortization Expense	1,345,716	1,396,892	1,384,443	118,940
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	0	0	0	0
16. Interest on Long-Term Debt	1,042,564	1,025,602	1,008,873	83,321
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	33,142	26,815	33,141	1,462
19. Other Deductions	0	0	0	0
20. Total Cost of Electric Service (12 thru 19)	**18,208,339**	**17,598,277**	**18,931,641**	**1,201,352**
21. Patronage Capital & Operating Margins (1 minus 20)	**44,585**	**(393,938)**	**128,704**	**(65,193)**
22. Non Operating Margins - Interest	123,190	89,572	112,043	6,400
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	50,646	52,479	50,456	5,437
26. Generation & Transmission Capital Credits	1,310,835	647,262	1,072,240	0
27. Other Capital Credits & Patronage Dividends	120,036	123,928	120,036	11
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	**1,649,292**	**519,303**	**1,483,479**	**(53,345)**

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE LAST YEAR (a)	YEAR-TO-DATE THIS YEAR (b)	ITEM	YEAR-TO-DATE LAST YEAR (a)	YEAR-TO-DATE THIS YEAR (b)
1. New Services Connected	114	91	5. Miles Transmission	84	84
2. Services Retired	0	0	6. Miles Distribution Overhead	1,099	1,101
3. Total Services In Place	10,375	10,466	7. Miles Distribution Underground	65	67
4. Idle Services (Exclude Seasonal)	0	0	**8. Total Miles Energized (5+6+7)**	**1,248**	**1,252**

CFC FORM 7

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County E
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	49,323,086	29. Memberships	32,920
2. Construction Work in Progress	365,605	30. Patronage Capital	20,892,660
3. Total Utility Plant (1+2)	**49,688,691**	31. Operating Margins - Prior Years	
4. Accum. Provision for Depreciation and Amort	19,778,460	32. Operating Margins - Current Year	(393,938)
5. Net Utility Plant (3-4)	**29,910,231**	33. Non-Operating Margins	913,241
6. Nonutility Property - Net	0	34. Other Margins & Equities	2,025
7. Investment in Subsidiary Companies	0	**35. Total Margins & Equities (29 thru 34)**	**21,446,908**
8. Invest. in Assoc. Org. - Patronage Capital	9,334,239	36. Long-Term Debt CFC (Net)	17,524,939
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Long-Term Debt - Other (Net)	1,296,435
10. Invest in Assoc. Org. - Other - Nongeneral Funds	0	**38. Total Long-Term Debt (36 + 37)**	**18,821,374**
11. Investments in Economic Development Projects	0	39. Obligations Under Capital Leases - Non current	0
12. Other Investments	1,384,613	40. Accumulated Operating Provisions - Asset Retirement Obligations	0
13. Special Funds	0	**41. Total Other Noncurrent Liabilities (39+40)**	**0**
14. Total Other Property & Investments (6 thru 13)	**10,718,852**	42. Notes Payable	200,000
15. Cash-General Funds	253,650	43. Accounts Payable	971,121
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	466,733
17. Special Deposits	0	45. Current Maturities Long-Term Debt	531,850
18. Temporary Investments	0	46. Current Maturities Long-Term Debt-Economic Dev.	0
19. Notes Receivable - Net	824,907	47. Current Maturities Capital Leases	0
20. Accounts Receivable - Net Sales of Energy	1,529,765	48. Other Current & Accrued Liabilities	3,342,472
21. Accounts Receivable - Net Other	0	**49. Total Current & Accrued Liabilities (42 thru 48)**	**5,512,176**
22. Renewable Energy Credits	0	50. Deferred Credits	0
23. Materials & Supplies - Electric and Other	805,690	**51. Total Liabilities & Other Credits (35+38+41+49+50)**	**45,780,458**
24. Prepayments	81,848		
25. Other Current & Accrued Assets	1,655,515	**ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION**	
26. Total Current & Accrued Assets (15 thru 25)	**5,151,375**	Balance Beginning of Year	6,282,057
27. Deferred Debits	0	Amounts Received This Year (Net)	253,177
28. Total Assets & Other Debits (5+14+26+27)	**45,780,458**	**TOTAL Contributions-In-Aid-Of-Construction**	**6,535,234**

PART D. THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

CFC FORM 7

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County E
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

PART E. CHANGES IN UTILITY PLANT

	PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)
1	Distribution Plant Subtotal	36,748,749	761,791	39,035	0	**37,471,505**
2	General Plant Subtotal	4,206,402	47,893	0	0	**4,254,295**
3	Headquarters Plant	2,995,227	113,975	0	0	**3,109,202**
4	Intangibles	3,060	0	0	0	**3,060**
5	Transmission Plant Subtotal	3,731,532	896,263	142,771	0	**4,485,024**
6	Regional Transmission and Market Operation Plant	0	0	0	0	**0**
7	Production Plant - Steam	0	0	0	0	**0**
8	Production Plant - Nuclear	0	0	0	0	**0**
9	Production Plant - Hydro	0	0	0	0	**0**
10	Production Plant - Other	0	0	0	0	**0**
11	All Other Utility Plant	0	0	0	0	**0**
12	**SUBTOTAL: (1 thru 11)**	**47,684,970**	**1,819,922**	**181,806**	**0**	**49,323,086**
13	Construction Work in Progress	161,217	204,388			**365,605**
14	**TOTAL UTILITY PLANT (12+13)**	**47,846,187**	**2,024,310**	**181,806**	**0**	**49,688,691**

CFC NO LONGER REQUIRES SECTIONS "F", "G", AND "N" DATA
Those sections refer to data on "Analysis of Accumulated Provision for Depreciation" (F), "Materials and Supplies" (G), "Annual Meeting and Board Data" (N), and "Conservation Data" (P).

PART H. SERVICE INTERRUPTIONS

	ITEM	Avg. Minutes per Consumer by Cause: Power Supplier (a)	Avg. Minutes per Consumer by Cause: Major Event (b)	Avg. Minutes per Consumer by Cause: Planned (c)	Avg. Minutes per Consumer by Cause: All Other (d)	TOTAL (e)
1.	Present Year	0.00	80.98	0.00	78.17	**159.15**
2.	Five-Year Average	17.63	89.65	0.00	71.75	**179.03**

PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS

1.	Number of Full Time Employees	37	4.	Payroll - Expensed	1,355,053
2.	Employee - Hours Worked - Regular Time	77,583	5.	Payroll - Capitalized	335,842
3.	Employee - Hours Worked - Overtime	4,151	6.	Payroll - Other	705,597

PART J. PATRONAGE CAPITAL

	ITEM	THIS YEAR (a)	CUMULATIVE (b)
1.	General Retirement	0	937,804
2.	Special Retirements	0	0
3.	**Total Retirements (1+2)**	**0**	**937,804**
4.	Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	60,711	
5.	Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric Systen	53,946	
6.	**Total Cash Received (4+5)**	**114,657**	

PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE

1. Amount Due Over 60 Days:	0
2. Amount Written Off During Year:	0

CFC FORM 7

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County E
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

PART L. KWH PURCHASED AND TOTAL COST

	NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	RENEWABLE ENERGY PROGRAM NAME (c)	RENEWABLE FUEL TYPE (d)	KWH PURCHASED (e)	TOTAL COST (f)	AVERAGE COST PER KWH (cents) (g)	INCLUDED IN TOTAL COST		
								FUEL COST ADJUSTMENT (h)	WHEELING & OTHER CHARGES (or Credits) (i)	COMMENTS (j)
1	Arizona Electric Power Cooperative			0 None	159,221,566	10,622,967	6.67	(128,090)	(378,007)	Comments
2				0 None	0	0	0.00	0	0	Comments
3				0 None	0	0	0.00	0	0	Comments
4				0 None	0	0	0.00	0	0	Comments
5				0 None	0	0	0.00	0	0	Comments
6				0 None	0	0	0.00	0	0	Comments
7				0 None	0	0	0.00	0	0	Comments
8				0 None	0	0	0.00	0	0	Comments
9				0 None	0	0	0.00	0	0	Comments
10				0 None	0	0	0.00	0	0	Comments
11				0 None	0	0	0.00	0	0	Comments
12				0 None	0	0	0.00	0	0	Comments
13				0 None	0	0	0.00	0	0	Comments
14				0 None	0	0	0.00	0	0	Comments
15				0 None	0	0	0.00	0	0	Comments
16				0 None	0	0	0.00	0	0	Comments
17				0 None	0	0	0.00	0	0	Comments
18				0 None	0	0	0.00	0	0	Comments
19				0 None	0	0	0.00	0	0	Comments
20				0 None	0	0	0.00	0	0	Comments
21	**TOTALS**				**159,221,566**	**10,622,967**	**6.67**	**(128,090)**	**(378,007)**	

CFC FORM 7

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County E
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

PART L. KWH PURCHASED AND TOTAL COST (Continued)

	COMMENTS
1	Fuel cost adjustment decreased the cost of power to our memebers primarily due to our supplier charges for demand and energy was lower than our base cost of power
2	allowed in Graham County Electric Cooperative's (GCEC) 2009 rate tariff resulting in an over collection of the power cost adjustor.
3	
4	Arizona Electric Power Cooperative (AEPCO) sales excess generation to third parties. AEPCO issues a credit to GCEC net of transmission costs on a monthly basis.
5	GCEC nets the third party sales credit against the AEPCO invoice for the cost of power.
6	
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CFC FORM 7

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County E
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)

*LIST BELOW ALL "RESTRICTED PROPERTY" ** HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")*

	NAME OF LESSOR	TYPE OF PROPERTY	RENTAL THIS YEAR
1.			$0
2.			$0
3.		TOTAL	$0

** "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an intial cost in excess of $250,000).

PART O. LONG-TERM DEBT SERVICE REQUIREMENTS

	NAME OF LENDER	BALANCE END OF YEAR	BILLED THIS YEAR			CFC USE ONLY
			INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	(d)
1	National Rural Utilities Cooperative Finance Corporation	18,052,938	1,023,244	506,111	1,529,355	
2	NCSC	0	0	0	0	
3	Farmer Mac	0	0	0	0	
4	NRECA Past Service Cost	30,618	2,268	3,558	5,826	
5	Accumulated Provision for Post Retirement Benefits	1,269,668	0	0	0	
6		0	0	0	0	
7		0	0	0	0	
8		0	0	0	0	
9		0	0	0	0	
10	Principal Payments Received from Ultimate Recipients of IRP Loans			0		
11	Principal Payments Received from Ultimate Recipients of REDL Loans			0		
12	**TOTAL (Sum of 1 thru 9)**	**$19,353,224**	**$1,025,512**	**$509,669**	**$1,535,181**	

CFC FORM 7

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County E
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

PART R. POWER REQUIREMENTS DATA BASE

CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	JANUARY CONSUMERS (a)	DECEMBER CONSUMERS (b)	AVERAGE CONSUMERS (c)	TOTAL KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	7,886	7,892	7,889	
	b. KWH Sold				76,567,214
	c. Revenue				8,929,194
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	0	
	b. KWH Sold				
	c. Revenue				
3. Irrigation Sales	a. No. Consumers Served	427	460	444	
	b. KWH Sold				10,667,937
	c. Revenue				1,342,881
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	860	878	869	
	b. KWH Sold				29,038,635
	c. Revenue				3,216,015
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	22	22	
	b. KWH Sold				32,023,073
	c. Revenue				3,015,991
6. Public Street & Highway Lighting	a. No. Consumers Served	3	3	3	
	b. KWH Sold				255,960
	c. Revenue				11,490
7. Other Sales to Public Authority	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
10. TOTAL No. of Consumers (lines 1a thru 9a)		**9,197**	**9,255**	**9,226**	0
11. TOTAL KWH Sold (lines 1b thru 9b)					**148,552,819**
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)					**16,515,571**
13. Transmission Revenue					0
14. Other Electric Revenue					688,768
15. KWH - Own Use					154,290
16. TOTAL KWH Purchased					159,221,566
17. TOTAL KWH Generated					0
18. Cost of Purchases and Generation					10,685,618
19. Interchange - KWH - Net					0
20. Peak - Sum All KW Input (Metered)					43,404
	○None ◉Non-coincident ○Coincident				

CFC FORM 7

NATIONAL RURAL UTILITIES	BORROWER NAME	Graham County E
COOPERATIVE FINANCE CORPORATION	BORROWER DESIGNATION	AZ017
FINANCIAL AND STATISTICAL REPORT	ENDING DATE	12/31/2015

PART S. ENERGY EFFICIENCY PROGRAMS

Line #	Classification	Added This Year			Total To Date		
		Number of Consumers (a)	Amount Invested (b)	ESTIMATED MMBTU Savings (c)	Number of Consumers (d)	Amount Invested (e)	ESTIMATED MMBTU Savings (f)
1.	Residential Sales (excluding seasonal)	2,290	44,140	3,670	10,617	145,367	5,435
2.	Residential Sales - Seasonal	0	0	0	0	0	0
3.	Irrigation Sales	0	0	0	0	0	0
4.	Comm. and Ind. 1000 KVA or Less	0	0	0	0	0	0
5.	Comm. and Ind. Over 1000 KVA	0	0	0	0	0	0
6.	Public Street and Highway Lighting	0	0	0	0	0	0
7.	Other Sales to Public Authorities	0	0	0	0	0	0
8.	Sales for Resales - RUS Borrowers	0	0	0	0	0	0
9.	Sales for Resales - Other	0	0	0	0	0	0
10.	**TOTAL**	**2,290**	**44,140**	**3,670**	**10,617**	**145,367**	**5,435**

CFC FORM 7

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Graham County E
	BORROWER DESIGNATION	AZ017
	ENDING DATE	12/31/2015

(All investments refer to your most recent CFC Loan Agreement)

7a - PART 1 - INVESTMENTS

	DESCRIPTION (a)	INCLUDED ($) (b)	EXCLUDED ($) (c)	INCOME OR LOSS (d)
2.	**INVESTMENTS IN ASSOCIATED ORGANIZATIONS**			
5	Arizona Electric Power Cooperative, Inc.	9,285,521		
6	Arizona Electric Power Cooperative, Inc.	5		
7	Grand Canyon State Electric Cooperative Association	43,713		
8	Graham County Utilities, Inc.	5,000		
	Subtotal (Line 5 thru 8)	**9,334,239**	**0**	**0**
3.	**INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS**			
9				
10				
11				
12				
	Subtotal (Line 9 thru 12)	**0**	**0**	**0**
4.	**OTHER INVESTMENTS**			
13	Investments in National Rural Utilities Cooperative Finance Corp	660,596		
14	National Rural Utilities Cooperative Finance Corp. - Membership	1,000		
15	National Rural Utilities Cooperative Finance Corp. - Patronage Cap	610,998		
16	Investments in Federated Insurance and other Cooperatives	112,019		
	Subtotal (Line 13 thru 16)	**1,384,613**	**0**	**0**
5.	**SPECIAL FUNDS**			
17				
18				
19				
20				
	Subtotal (Line 17 thru 20)	**0**	**0**	**0**
6.	**CASH - GENERAL**			
21	JP Morgan Chase	48,880		
22	Arizona State Credit Union	202,970		
23	Change Fund	1,800		
24				
	Subtotal (Line 21 thru 24)	**253,650**	**0**	**0**
7.	**SPECIAL DEPOSITS**			
25				
26				
27				
28				
	Subtotal (Line 25 thru 28)	**0**	**0**	**0**
8.	**TEMPORARY INVESTMENTS**			
29				
30				
31				
32				
	Subtotal (Line 29 thru 32)	**0**	**0**	**0**
9.	**ACCOUNT & NOTES RECEIVABLE - NET**			
33	Note Receivable - Graham County Utilities, Inc.	824,907		
34				
35				
36				
	Subtotal (Line 33 thru 36)	**824,907**	**0**	**0**
10.	**COMMITMENTS TO INVEST WITHIN 12 MONTHS BUT NOT ACTUALLY PURCHASED**			
37				
38				
39				
40				
	Subtotal (Line 37 thru 40)	**0**	**0**	**0**
	Total	**11,797,409**	**0**	**0**

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.
REVENUE FOR THE YEAR 2015

	SALES TAX				FRANCHISE FEES			
	STATE	SAFFORD	PIMA		PIMA	THATCHER		GRAND
	123650	123660	123690	TOTAL	123670	123685	TOTAL	TOTAL
Jan	80,454.26	2,402.00	2,841.63	**85,697.89**	2,826.70	3,424.35	**6,251.05**	**91,948.94**
Feb	68,571.35	1,630.86	2,855.08	**73,057.29**	2,134.88	2,902.16	**5,037.04**	**78,094.33**
Mar	58,972.18	1,424.32	1,577.58	**61,974.08**	1,585.42	2,789.14	**4,374.56**	**66,348.64**
Apr	70,635.23	1,417.82	1,643.05	**73,696.10**	1,648.00	3,088.93	**4,736.93**	**78,433.03**
May	73,854.34	1,717.07	2,004.66	**77,576.07**	2,009.55	3,534.96	**5,544.51**	**83,120.58**
Jun	87,320.01	1,903.34	2,245.68	**91,469.03**	2,239.27	3,957.43	**6,196.70**	**97,665.73**
Jul	134,342.75	2,728.46	3,704.29	**140,775.50**	3,680.23	5,957.49	**9,637.72**	**150,413.22**
Aug	122,037.43	2,426.82	3,450.01	**127,914.26**	3,426.17	5,069.24	**8,495.41**	**136,409.67**
Sep	106,621.52	2,024.15	4,755.25	**113,400.92**	3,227.20	4,589.30	**7,816.50**	**121,217.42**
Oct	93,913.24	2,058.99	3,153.68	**99,125.91**	3,098.00	4,689.26	**7,787.26**	**106,913.17**
Nov	66,596.63	2,192.90	2,132.36	**70,921.89**	2,095.55	2,939.85	**5,035.40**	**75,957.29**
Dec	70,927.44	2,299.76	2,403.55	**75,630.75**	2,362.06	2,870.48	**5,232.54**	**80,863.29**
Total	**1,034,246.38**	**24,226.49**	**32,766.82**	**1,091,239.69**	**30,333.03**	**45,812.59**	**76,145.62**	**1,167,385.31**

	144010	144100	144120	144210	144220	144400	145400	145600	145610	145612	145614	145616	145618	145620	145630	145640
Jan	793,463.96	18,207.29	9.65	511,647.51	45,002.57	957.49		18,835.00	2,320.00		2,320.00	640.00	2,891.76		6,602.92	
Feb	605,636.88	18,889.15	9.65	447,660.97	(1,999.22)	957.49	220,284.47	15,299.00	2,370.00		810.00	350.00	3,365.52		7,316.57	
Mar	510,207.55	80,541.68	10.10	419,379.50	(9,737.51)	957.49		18,339.00	4,020.00		1,580.00	360.00	2,725.51		15,220.29	
Apr	502,704.90	246,583.59	236.02	219,694.24	194,341.67	957.48		18,341.00	2,620.00		1,830.00	310.00	3,346.90		-	
May	606,849.27	130,400.56	45.73	522,675.96	(12,368.75)	957.48		20,467.00	2,500.00		2,760.00	390.00	2,133.44		8,394.53	
Jun	783,751.23	145,900.62	154.10	549,528.39	(12,615.75)	957.48		30,217.00	2,530.00		880.00	290.00	2,802.98		7,472.79	
Jul	1,154,122.73	255,072.19	255.54	690,433.79	(15,190.26)	957.48		30,433.00	2,600.00		1,560.00	420.00	3,846.56		7,269.84	
Aug	1,075,715.90	215,136.83	137.72	624,940.23	(13,467.60)	957.48		32,121.00	2,310.00		1,324.95	300.00	4,972.67	313.73	7,318.13	
Sep	898,965.50	137,605.49	81.85	554,739.83	(11,919.58)	957.48		25,741.00	2,670.00		1,800.00	280.00	7,099.17		8,151.09	
Oct	833,788.74	53,362.43	19.29	596,299.28	(11,699.22)	957.48		20,139.00	4,640.00		2,630.00	370.00	4,239.89		9,931.73	
Nov	547,008.02	28,474.61	136.49	433,638.54	34,953.70	957.49		16,883.00	2,150.00		610.00	270.00	3,770.73		21,294.70	
Dec	616,979.67	13,814.26	11.95	420,642.83	56,186.09	957.48		19,901.00	2,000.00	-	1,270.00	390.00	4,030.00		-	
Total	**8,929,194.35**	**1,343,988.70**	**1,108.09**	**5,991,281.07**	**241,486.14**	**11,489.80**	**220,284.47**	**266,716.00**	**32,730.00**	**-**	**19,374.95**	**4,370.00**	**45,225.13**	**313.73**	**98,972.59**	**-**

G/L #	ACCOUNT NAME	FACTOR	TOTAL	FRANCHISE	STATE	CITY	TOTAL			
144010	Residential	8,929,194.35	8,929,194.35	45,569.53	543,057.28	34,081.54	9,551,902.69			-
144100	Irrigation		1,343,988.70		81,738.94		1,425,727.64			-
144120	Interruptible		1,108.09		67.39		1,175.48			-
144210	Commercial	5,991,281.07	5,991,281.07	30,576.09	364,378.76	22,867.92	6,409,103.84			-
144220	Gins		241,486.14		14,686.75		256,172.89			-
144400	Public Lighting		11,489.80		698.79	43.86	12,232.44			-
145400	Rent - Joint Use		220,284.47		13,397.30		233,681.77			-
145600	Miscellaneous		266,716.00		16,221.18		282,937.18			-
145610	Misc - Reservation		32,730.00				32,730.00			-
145612	Misc - Svc Calls After Hrs		-				-			-
145614	Misc - Disconnect/Reconnect		19,374.95				19,374.95			-
145616	Misc - Disconnect/Reconnect After Hrs		4,370.00				4,370.00			-
145618	Misc - NSF & Late Fees		45,225.13				45,225.13			
145620	Admin Fee - Thatcher & Pima		313.73				313.73			
145630	Franchise Fee - PD		98,972.59				98,972.59			
145640	Power Factor Penalty		-				-			
		14,920,475.42	**17,206,535.02**	**76,145.62**	**1,034,246.38**	**56,993.31**	**18,373,920.33**	**-**	**-**	**-**
			1,167,385.31							
			18,373,920.33							

BALANCE SHEET

DIV	TYPE	LINE	G/L #	DESCRIPTION	YTD	CURRENT
1	B	1	130100	ORGANIZATION	1,134.73	-
1	B	1	130300	MISC INTANGIBLE PLANT	1,924.99	-
1	B	1	135000	LAND & LAND RIGHTS-TRANSMISSION	6,065.32	-
1	B	1	135100	CLEARING LAND & RIGHT OF WAY-TRANSMISSION	1,188.07	-
1	B	1	135300	STATION EQUIPMENT-TRANSMISSION	298,203.82	-
1	B	1	135500	POLES & FIXTURES - TRANSMISSION	2,896,064.28	-
1	B	1	135600	OVERHEAD CONDUCTORS & DEVICES - TRANS	1,283,502.78	-
1	B	1	136000	LAND & LAND RIGHTS DISTRIBUTION	72,825.17	-
1	B	1	136200	STATION EQUIPMENT-DISTRIBUTION	10,555,145.45	-
1	B	1	136400	POLES, TOWERS & FIXTURES-DISTRIBUTION	10,589,895.50	-
1	B	1	136500	OVERHEAD CONDUCTORS & DEVICES-DIST	4,494,538.28	4,786.67
1	B	1	136600	UNDERGROUND CONDUIT-DISTRIBUTION	548,322.36	-
1	B	1	136700	UNDERGROUND CONDUCTORS & DEVICES-DIST	801,674.21	4,384.81
1	B	1	136800	LINE TRANSFORMERS	5,638,271.60	(5,674.00)
1	B	1	136820	UNDERGROUND TRANSFORMERS	1,434,553.03	-
1	B	1	136900	SERVICES	1,709,510.28	-
1	B	1	137000	METERS	1,412,316.10	-
1	B	1	137100	INSTALLATIONS ON CONSUMERS' PREMISES	214,452.57	-
1	B	1	138900	LAND & LAND RIGHTS - GENERAL PLANT	192,791.07	-
1	B	1	139000	STRUCTURES & IMPROVEMENTS-GENERAL PLANT	2,454,143.47	17,688.12
1	B	1	139010	STRUCTURES & IMPROVEMENTS-GENERAL PLANT	367,618.42	-
1	B	1	139100	OFFICE FURNITURE & FIXTURES	94,649.35	-
1	B	1	139110	OFFICE FURNITURE & FIXTURES-COMPUTER	158,566.27	-
1	B	1	139120	OFFICE EQUIPMENT	152,997.06	-
1	B	1	139200	TRANSPORTATION EQUIPMENT	2,802,560.21	-
1	B	1	139300	STORES EQUIPMENT	2,586.57	-
1	B	1	139400	TOOLS & SHOP EQUIPMENT	373,600.35	-
1	B	1	139500	LABORATORY EQUIPMENT	123,913.33	-
1	B	1	139600	POWER OPERATED EQUIPMENT	211,055.10	-
1	B	1	139700	COMMUNICATION EQUIPMENT	343,487.88	-
1	B	1	139800	MISC EQUIPMENT	85,528.67	-
				TOTAL PLANT IN SERVICE	**49,323,086.29**	**21,185.60**
1	B	2	110713	CWIP - BILLABLE REPAIRS	1,588.47	303.26
1	B	2	110720	CWIP	29,804.75	(5,086.91)
1	B	2	110728	CWIP - LABOR OVERHEAD	(14,728.45)	1,952.02
1	B	2	110731	SYSTEM WIDE POLE CHANGEOUT	55,735.85	9,431.34
1	B	2	110732	THATCHER 2011 SALE	5,398.77	-
1	B	2	110736	HILLCREST TO SANCHEZ REBUILD	128,173.41	32,993.19
1	B	2	110750	CORK TAP-PIMA 69KV REBUILD	140,871.25	-
1	B	2	110770	PHASE II - SAFFORD TERRITORIAL TRANSFER	18,760.99	10,234.24
				TOTAL CWIP	**365,605.04**	**48,086.77**
				TOTAL UTILITY PLANT	**49,688,691.33**	**69,272.37**
1	B	4	110850	ACCUM PROV FOR DEPREC TRANS	(1,318,102.68)	(10,261.56)
1	B	4	110860	ACCUM PROV FOR DEPREC DIST	(13,788,868.80)	(91,630.87)
1	B	4	110861	ACCUM AMORT-DIGGER TRUCK	(156,129.83)	(489.44)
1	B	4	110870	ACCUM PROV FOR DEPR GEN PLANT	(4,416,876.38)	(29,477.59)
1	B	4	110871	ACCUM AMORT-COMPUTER	(15,894.00)	-
1	B	4	110881	ACCUM AMORT-GP-SERVICE TRUCK	(82,588.71)	(272.57)
				ACCUMULATED PROVISION FOR DEPR	**(19,778,460.40)**	**(132,132.03)**
				NET UTILITY PLANT	**29,910,230.93**	**(62,859.66)**
1	B	7	112310	PATRON CAP FROM ASSOC COOPS	9,285,526.23	-
1	B	7	112320	INVESTMENT IN ASSOCIATED ORGANIZATIONS	48,712.66	11.30
				INVESTMENT IN ASSOCIATED ORGANIZATIONS	**9,334,238.89**	**11.30**
1	B	8	112322	INVESTMENTS IN CFC	660,596.38	-
1	B	8	112323	OTHER INVESTMENTS - CFC MEMBERSHIP	1,000.00	-
1	B	8	112324	CFC PATRONAGE CAPITAL	610,997.55	-
				INVESTMENT IN ASSOCIATED ORGANIZATIONS	**1,272,593.93**	**-**
1	B	10	112410	INVESTMENT IN FEDERATED INS STOCK	107,744.02	(5,533.00)
1	B	10	112424	WESTERN UNITED PATRONAGE CAPITAL	4,274.76	-
				TOTAL INVESTMENTS - OTHER	**112,018.78**	**(5,533.00)**
				TOTAL INVESTMENTS	**10,718,851.60**	**(5,521.70)**

BALANCE SHEET

DIV	TYPE	LINE	G/L #	DESCRIPTION	YTD	CURRENT
1	B	13	113190	CASH IN BANK	251,849.50	(318,521.97)
1	B	13	113500	WORKING FUNDS	1,800.00	-
				TOTAL CASH	**253,649.50**	**(318,521.97)**
1	B	17	114110	N/R - GCU, INC.	824,906.76	(7,051.38)
				TOTAL NOTES RECEIVABLE	**824,906.76**	**(7,051.38)**
1	B	18	114200	A/R	689,952.91	(121,627.88)
1	B	18	114230	A/R - ENERGY CLEARING	(2,261.41)	41.26
1	B	18	114231	A/R ENERGY CLEARING-EMPLOYEES	55.58	-
1	B	18	114232	A/R TELEPHONE-EMPLOYEES	1,380.23	(187.05)
1	B	18	114240	DUE FROM GCU, INC.	1,007,808.60	40,559.47
1	B	18	114250	A/R - BILLABLE REPAIRS	5,183.72	-
1	B	18	114251	A/R - INTEREST CFC CAPITAL SECURITIES	1,250.00	-
1	B	18	114253	A/R - SHORT TERM CONTRACTS	11,432.46	10,231.12
1	B	18	114300	A/R - OTHER	2,554.17	(1,020.45)
1	B	18	114305	A/R - DIRECTORS	4,817.04	-
1	B	18	114310	A/R - RETURNED CHECKS	6,551.69	(103.82)
1	B	18	114320	A/R - MED AND R&S	867.04	52.44
1	B	18	114321	A/R-CAFETERIA PLAN	(42,534.10)	(2,466.62)
1	B	18	114340	A/R-REPAYMENTS	(619.27)	4,822.46
1	B	18	114350	A/R ASSIGNMENTS	832.50	-
1	B	18	114420	ACCUM PROV FOR UNCOLLECTIBLE ACCTS	(157,505.67)	18,636.32
				TOTAL ACCOUNTS RECEIVABLE	**1,529,765.49**	**(51,062.75)**
1	B	19	114210	A/R - FUEL BANK	(625,814.00)	194,731.00
				TOTAL OTHER RECEIVABLES	**(625,814.00)**	**194,731.00**
1	B	20	115400	MATERIAL & SUPPLIES INVENTORY	469,337.37	10,879.22
1	B	20	115420	INVENTORY - SPARE SUBSTATION TRANSFORMER	336,352.85	-
				TOTAL INVENTORY	**805,690.22**	**10,879.22**
1	B	21	116520	PREPAID STATEWIDE DUES	72,074.36	66,040.98
1	B	21	116530	PREPAID MEDICAL & LIFE INSURANCE	(79,797.74)	1,898.80
1	B	21	116540	PREPAID R&S CONTRIBUTIONS	78,225.68	(78,225.68)
1	B	21	116550	PREPAID DUES	11,346.00	(899.37)
				TOTAL PREPAYMENTS	**81,848.30**	**(19,784.65)**
				TOTAL CURRENT ASSETS	**2,870,046.27**	**(190,810.53)**
1	B	24	118410	TRANSPORTATION CLEARING ACCT	537.91	162.43
1	B	24	118460	SUN WATTS - ADMINISTRATIVE	1,287,110.51	3,526.04
1	B	24	118462	SUN WATTS - ADVERTISING	150.96	-
1	B	24	118464	SUN WATTS - DIRECT COSTS	50,874.79	(17,688.12)
2	B	24	118465	EE - ADMINISTRATION	8,853.58	193.22
1	B	24	118640	DEFERRED DEBIT - RIGHT OF WAY LEASE	39,493.21	(471.26)
1	B	24	118466	ENERGY EFFICIENCY	134,545.47	1,937.00
1	B	24	118650	MISC DEFERRED DEBITS-NRECA PENSION COST	30,618.41	-
1	B	24	118663	5 YEAR WORK PLAN	103,330.65	-
				TOTAL DEFERRED DEBITS	**1,655,515.49**	**(12,340.69)**
				TOTAL ASSETS	**45,154,644.29**	**(271,532.58)**
				LIABILITIES AND CAPITAL		
		26		**MEMBERSHIPS ISSUED**	**(32,920.00)**	**(105.00)**
				PATRONAGE CAPITAL CREDITS	**(20,892,660.20)**	**-**
1	B	31	120800	DONATED CAPITAL	(661.21)	-
1	B	31	121700	RETIRED PATRONAGE REFUND -GAIN	(1,364.06)	-
				OTHER MARGINS & EQUITY	**(2,025.27)**	**-**
1	B	27	121910	OPERATING MARGINS	393,938.23	65,192.49
1	B	30	121920	NON OPERATING MARGINS	(913,241.00)	(11,847.84)
				NET INCOME	**(519,302.77)**	**53,344.65**
				TOTAL MARGINS AND EQUITY	**(21,446,908.24)**	**53,239.65**
1	B	34	122414	OTHER LT DEBT-NRECA PAST SERV PENSION COST	(30,618.41)	-
1	B	34	122482	OTHER LTD - CFC-CONST #9002	(349,934.37)	3,856.18
1	B	34	122484	OTHER LTD - CFC-CONST #9002-004	(1,347,294.45)	7,848.38
1	B	34	122485	OTHER LTD - CFC-2 YR WORK PLAN #9003	(1,931,375.00)	18,393.77
1	B	34	122486	OTHER LTD - CFC-69KV TIE LINE #9008	(649,664.39)	5,015.18
1	B	34	122487	OTHER LTD - CFC-3 YR WORK PLAN 1998	(3,945,804.69)	94,015.30

BALANCE SHEET

DIV	TYPE	LINE	G/L #	DESCRIPTION	YTD	CURRENT
1	B	34	122488	CFC-5 YR WORK PLAN	(9,828,865.23)	-
1	B	34	122800	ACCUM PROVISION-POST RETIREMENT BENEFITS	(1,269,667.51)	(645.18)
				TOTAL LONG TERM DEBT	**(19,353,224.05)**	**128,483.63**
1	B	36	123310	NOTE PAYABLE - CFC CREDIT LINE	(200,000.00)	-
					(200,000.00)	**-**
1	B	37	123210	ACCOUNTS PAYABLE	(971,121.62)	(43,108.40)
				TOTAL ACCOUNTS PAYABLE	**(971,121.62)**	**(43,108.40)**
1	B	38	123500	CONSUMER SECURITY DEPOSITS	(466,732.67)	16,048.67
				TOTAL CONSUMER DEPOSITS	**(466,732.67)**	**16,048.67**
1	B	39	123610	ACCRUED PROPERTY TAX	(195,582.76)	(32,603.75)
1	B	39	123620	ACCRUED US UNEMPLOYMENT TAX	(80.14)	(65.87)
1	B	39	123630	ACCRUED FICA TAX	(2,345.82)	(2,345.82)
1	B	39	123631	ACCRUED MEDICARE TAX	(548.62)	(548.64)
1	B	39	123640	ACCRUED STATE UNEMPLOYMENT TAX	(56.83)	(51.60)
1	B	39	123650	ACCRUED SALES TAX - STATE	(70,927.44)	(4,330.81)
1	B	39	123660	ACCRUED CITY SALES TAX-SAFFORD	(2,299.76)	(106.86)
1	B	39	123690	ACCRUED SALES TAX - PIMA	(1,546.80)	205.60
1	B	39	123698	USE TAX PAYABLE	(737.77)	-
1	B	39	123740	ACCRUED INTEREST-SECURITY DEPOSITS	(45,464.25)	1,806.51
1	B	39	124100	TAX COLLECTIONS PAYABLE-FED WHLDNG	(4,161.94)	(4,161.94)
1	B	39	124110	TAX COLLECTIONS PAYABLE -STATE WHLDNG	(24.09)	-
1	B	39	124250	EMPLOYEE SAVINGS	(13,055.00)	(6,490.00)
1	B	39	124255	EMPLOYEE 401k CONTRIBUTIONS	(7,326.08)	(920.00)
1	B	39	124260	ACCRUED VACATIONS	(225,092.53)	19,341.15
1	B	39	124265	ACCRUED SICK LEAVE	(289,389.37)	-
1	B	39	125200	ENERGY EFFICIENCY SURCHARGE	(369,505.31)	(6,952.19)
1	B	39	125300	ENVIROMENTAL PORTFOLIO SURCHARGE	(1,488,513.20)	(16,015.05)
				OTHER CURRENT & ACCRUED LIABILITIES	**(2,716,657.71)**	**116,869.03**
				TOTAL CURRENT & ACCRUED LIABILITIES	**(4,154,512.00)**	**89,809.30**
				TOTAL LIABILITIES & CAPITAL	**(45,154,644.29)**	**271,532.58**

LINE	G/L #	INCOME STATEMENT DESCRIPTION	December 31, 2015 LAST YEAR	YTD	BUDGET	CURRENT
1	144010	RESIDENTIAL SALES	(9,232,403.64)	(8,929,194.35)	(9,551,394.00)	(616,979.67)
1	144100	IRRIGATION SALES	(1,966,665.07)	(1,343,988.70)	(1,934,417.00)	(13,814.26)
1	144120	CREDIT-INTERRUPTABLE PUMP LOAD CONTROL	12,923.15	1,108.09	12,282.00	11.95
1	144210	COMM. & INDUSTRIAL SALES-SMALL	(6,262,039.34)	(5,991,281.07)	(6,634,269.00)	(420,642.83)
1	144220	COMM & INDUST SALES LP	(139,899.28)	(241,486.14)	(255,879.00)	(56,186.09)
1	144400	PUBLIC STREETS - HIGHWAY LIGHTING	(12,342.97)	(11,489.80)	(26,835.00)	(957.48)
1	145400	RENT FROM ELEC PROP -JOINT USE	(215,614.08)	(220,284.47)	(203,261.00)	-
1	145600	MISCELLANEOUS ELECTRIC REVENUE	(263,665.00)	(266,716.00)	(330,835.00)	(19,901.00)
1	145610	MISC ELECTRIC REVENUE-ESTABLISHMENT	(22,710.00)	(32,730.00)	(23,471.00)	(2,000.00)
1	145614	MISC ELECTRIC REVENUE-DISCONNECT/RECONNNEC	(20,346.00)	(19,374.95)	-	(1,270.00)
1	145616	MISC ELECTRIC REVENUE-RECONNECT AFTER HOUR	(4,120.00)	(4,370.00)	-	(390.00)
1	145618	MISC ELECTRIC REVENUE-NSF CHECK & LATE FEES	(45,263.78)	(45,225.13)	-	(4,030.00)
1	145620	ADMINISTRATIVE FEE-TOWN OF THATCHER & PIMA	-	(313.73)	-	-
1	145630	PHELPS DODGE FRANCHISE FEE	(80,778.08)	(98,972.59)	(112,266.00)	-
1	145640	POWER FACTOR PENALTY	-	(20.00)	-	-
		OPERATING REVENUES	**(18,252,924.09)**	**(17,204,338.84)**	**(19,060,345.00)**	**(1,136,159.38)**
3	155500	PURCHASED POWER	11,328,718.41	10,751,057.35	12,149,220.00	904,482.88
3	155540	FUEL BANK-OVER/UNDER COLLECT	192,456.94	(128,089.98)	-	(194,731.00)
		COST OF POWER PURCHASED	**11,521,175.35**	**10,622,967.37**	**12,149,220.00**	**709,751.88**
4	156200	STATION EXPENSES	2,656.44	1,845.48	4,659.00	153.79
4	156300	OPERATIONS-TRANSMISSION LINES	106,350.10	56,074.69	125,567.00	3,421.76
4	156310	PATROLLING LINES-TRANSMISSION	4,405.94	766.87	254.00	-
4	157100	MAINTENANCE OF LINES-TRANSS	23,372.10	3,964.34	10,145.00	-
		TRANSMISSION EXPENSE	**136,784.58**	**62,651.38**	**140,625.00**	**3,575.55**
5	158000	OPERATIONS-SUPERVISION	128,243.85	114,832.94	142,699.00	6,603.72
5	158200	SUBSTATION OPERATIONS	71,593.50	47,323.66	73,847.00	3,547.03
5	158210	SUBSTATION INSPECTIONS	8,396.37	7,773.10	10,143.00	1,399.06
5	158300	OPERATION -LINES	271,378.22	188,691.07	265,675.00	15,455.19
5	158310	PATROLLING LINES	8,893.90	15,746.76	3,426.00	-
5	158320	CHNGOUT-LINES/TRANS	-	18,601.66	-	-
5	158400	UNDERGROUND LINE EXPENSE	32,078.02	22,364.69	30,779.00	1,863.73
5	158600	METER EXPENSE	30,215.44	20,310.94	29,703.00	1,723.83
5	158610	METER INSPEC & TESTING	48,726.86	45,013.70	50,064.00	1,287.54
5	158620	METER INSTALL & REMOVAL	199,498.75	218,843.95	209,444.00	13,007.87
5	158700	CUSTOMER INSTALLATION EXPENSE	34,760.14	24,428.17	33,619.00	2,035.68
5	158810	BLUE STAKE	56,209.79	70,453.05	53,775.00	5,771.95
		DISTRIBUTION EXPENSE - OPERATIONS	**889,994.84**	**794,383.69**	**903,174.00**	**52,695.60**
6	159000	MAINTENANCE-SUPERVISION	84,867.65	92,582.02	57,136.00	6,603.72
6	159200	SUBSTATION MAINTENANCE	88,589.41	27,776.33	25,599.00	1,942.03
6	159300	OVERHEAD LINE MAINTENANCE	290,426.58	401,523.59	298,585.00	23,911.64
6	159301	DD LIGHTS MAINTENANCE	28,556.03	35,612.76	29,863.00	2,565.83

INCOME STATEMENT			December 31, 2015			
LINE	G/L #	DESCRIPTION	LAST YEAR	YTD	BUDGET	CURRENT
6	159302	OVERHEAD PREVENTATIVE LINE MAINTENANCE	34,256.23	18,137.34	86,757.00	1,888.73
6	159303	RAPTOR PROTECTION	1,290.95	7,708.16	32,630.00	-
6	159310	REGS/RECLOS/CAPACITORS	62,371.46	59,663.51	145,343.00	2,221.20
6	159320	TREE TIM & R/W CLEAR	108,741.45	159,350.89	144,538.00	3,021.83
6	159330	CHNGOUTS-POLE/X-ARM/ETC	3,515.88	6,592.79	5,306.00	-
6	159340	HARDWARE TIGHTENING	13,978.93	-	7,389.00	-
6	159350	TROUBLE CALLS-LOCATE & CLEAR	250,068.68	488,643.08	253,126.00	20,906.98
6	159360	STANDBY	55,877.30	61,580.47	42,433.00	3,748.79
6	159370	GPS / GIS SYSTEM MAPPING	133,458.79	56,118.82	104,679.00	3,157.24
6	159400	MAINT OF UNDERGROUND LINES	88,300.17	58,356.77	35,646.00	8,411.52
6	159500	MAINT OF TRANSFORMERS	-	(2,800.15)	-	-
6	159510	PCB TEST & OIL REMOVAL	2,354.09	5,642.59	7,481.00	-
6	159520	TRANSFORMER MAINTENANCE	1,084.97	2,041.12	1,053.00	315.46
6	159700	METER MAINTENANCE	2,120.67	-	276.00	-
		DISTRIBUTION EXPENSE - MAINTENANCE	**1,249,859.24**	**1,478,530.09**	**1,277,840.00**	**78,694.97**
7	190200	METER READING EXPENSE	215,774.83	223,666.72	197,095.00	24,622.94
7	190300	CONSUMER RECORDS & COLL EXP	10,828.43	12,008.85	8,225.00	316.68
7	190301	NEW ACCOUNTS/CLOSED ACCOUNTS	60,226.87	58,516.26	56,408.00	4,653.04
7	190302	CASHIERING	124,391.78	124,604.84	161,539.00	9,878.07
7	190303	BILLING	31,731.27	39,761.99	43,646.00	5,595.94
7	190304	ACCOUNTS PAYABLE	26,612.87	26,400.22	26,006.00	2,218.04
7	190305	PAYROLL PREPARATION	20,220.85	25,451.51	23,283.00	2,225.94
7	190306	GENERAL LEDGER	31,873.56	40,005.96	32,822.00	2,560.15
7	190307	DELINQUENT ACCOUNTS	82,708.83	88,114.05	32,212.00	6,546.16
7	190308	FILING	4,107.05	1,822.67	2,466.00	175.94
7	190309	TROUBLE CALLS	-	20.00	171.00	-
7	190310	CASH - OVER & SHORT	(518.71)	(1,337.07)	(96.00)	(1,122.66)
7	190311	WORK ORDERS	2,089.21	2,089.90	3,031.00	145.96
7	190313	CAPITAL CREDITS	3,248.89	767.93	3,223.00	-
7	190314	INVENTORY CLEARING	3,971.41	2,773.45	7,018.00	-
7	190315	CUSTOMER RELATIONS	69,380.25	56,768.14	57,747.00	3,718.22
7	190316	FAIR TIME	7,732.95	10,838.42	8,116.00	-
7	190317	RATE RELATED	-	-	17,478.00	-
7	190318	CONSUMER MEETINGS	11,064.63	6,928.45	14,748.00	40.00
7	190319	SCHOLARSHIPS	15,969.19	19,770.51	10,503.00	4,348.60
7	190320	LATE CHARGES	-	-	9.00	-
7	190400	UNCOLLECTIBLE ACCOUNTS	32,881.09	33,565.45	62,054.00	2,256.96
7	190410	MISC WRITE-OFFS EXPENSE	24.24	16.46	-	(1.04)
		CONSUMER ACCOUNT EXPENSE	**754,319.49**	**772,554.71**	**767,704.00**	**68,178.94**
10	192000	ADMIN & GENERAL SALARIES	374,349.06	385,701.40	328,674.00	33,890.18
10	192010	EMPLOYEES MEETINGS	22,256.90	41,876.76	26,866.00	4,322.05
10	192100	OFFICE SUPPLIES & EXP	146,912.02	173,024.43	166,287.00	5,402.75
10	192300	OUTSIDE SERVICES EMPLOYED	50,491.71	71,813.13	86,205.00	(10,153.80)

INCOME STATEMENT			December 31, 2015			
LINE	G/L #	DESCRIPTION	LAST YEAR	YTD	BUDGET	CURRENT
10	192500	INJURIES & DAMAGES INS.	69,867.72	66,378.20	62,920.00	5,531.48
10	192510	INJURIES & DAMAGES	-	211.17	-	-
10	192600	EMPLOYEE PENSION BENEFITS	408.84	3,944.29	16,330.00	32.16
10	192610	EDUCATION & TRAINING	69,196.21	71,190.00	58,900.00	468.26
10	192611	DIRECTORS EDUCATION	39,576.77	45,528.93	34,429.00	-
10	192620	SAFETY EDUCATION	55,415.03	113,899.59	81,583.00	6,291.59
10	192800	REGULATORY COMMISSION EXP.	38,306.69	40,413.09	54,895.00	-
10	193000	MISC GENERAL EXPENSE	198,493.46	223,327.99	153,629.00	26,468.56
10	193001	DIRECTORS FEES	20,447.52	20,474.44	33,038.00	1,457.51
10	193010	PUBLICATIONS	1,995.90	6,546.21	1,673.00	415.88
10	193100	RENTS	14,520.89	20,705.71	6,495.00	3,658.99
10	193200	MAINT-GENERAL PLANT	17,033.09	6,554.66	11,058.00	-
10	193210	MAINTENANCE-BUILDINGS	77,623.81	85,580.84	102,187.00	5,256.63
10	193220	MAINTENANCE-GRNDS/YARDS	24,568.74	28,056.95	29,457.00	635.06
		ADMINISTRATIVE AND GENERAL EXPENSE	**1,234,782.80**	**1,417,880.95**	**1,266,621.00**	**84,731.73**
		TOTAL OPERATIONS AND MAINENTANCE EXPENS	**15,786,916.30**	**15,148,968.19**	**16,505,184.00**	**997,628.67**
12	140350	DEPREC -TRANSMISSION PLANT	100,884.48	108,694.71	93,639.00	10,261.56
12	140360	DEPREC -DISTRIBUTION PLANT	1,054,718.79	1,086,267.38	1,047,274.00	91,630.87
12	140361	AMORT-DIGGER TRUCK	5,873.28	5,873.28	7,860.00	489.44
12	140370	DEPREC-GENERAL PLANT	184,239.63	196,056.72	235,670.00	16,558.00
		DEPRECIATION & AMORTIZATION EXPENSE	**1,345,716.18**	**1,396,892.09**	**1,384,443.00**	**118,939.87**
15	142712	INTEREST EXPENSE - CFC LONG TERM DEBT	1,040,032.02	1,023,333.94	1,008,873.00	83,321.41
15	143212	INTEREST EXPENSE-NRECA PAST SRVC PENSION C	2,531.56	2,268.03	-	-
		INTEREST ON LONG-TERM DEBT	**1,042,563.58**	**1,025,601.97**	**1,008,873.00**	**83,321.41**
17	143110	INTEREST EXPENSE-SEC DEPOSITS	26,929.35	24,343.84	33,141.00	-
17	143210	INTEREST EXPENSE	1,254.56	-	-	-
17	143211	INTEREST EXPENSE-CFC	4,957.80	2,470.98	-	1,461.92
		INTEREST EXPENSE - OTHER	**33,141.71**	**26,814.82**	**33,141.00**	**1,461.92**
		TOTAL COST OF ELECTRIC SERVICE	**18,208,337.77**	**17,598,277.07**	**18,931,641.00**	**1,201,351.87**
		OPERATING MARGINS	**(44,586.32)**	**393,938.23**	**(128,704.00)**	**65,192.49**
21	141900	INTEREST & DIVIDEND INCOME	(123,189.51)	(89,572.08)	(112,043.00)	(6,399.64)
		INTEREST & DIVIDEND INCOME	**(123,189.51)**	**(89,572.08)**	**(112,043.00)**	**(6,399.64)**
23	141801	NON OPERATING RENTAL INCOME-FUEL TRUCK	(14,201.88)	(14,201.88)	(3,959.00)	(1,183.49)
23	141803	NON OPERATING MANAGEMENT FEE	(27,444.32)	(29,278.44)	(42,835.00)	(3,609.55)
23	141805	NON OPERATING RENTAL INCOME	(8,999.37)	(8,999.05)	(3,662.00)	(643.86)
		NON OPERATING MARGINS - OTHER	**(50,645.57)**	**(52,479.37)**	**(50,456.00)**	**(5,436.90)**
25	142400	OTHER CAPITAL CREDITS & PATRONAGE	(1,430,870.68)	(771,189.55)	(1,192,276.00)	(11.30)
		PATRONAGE CAPITAL	**(1,430,870.68)**	**(771,189.55)**	**(1,192,276.00)**	**(11.30)**
		NET MARGINS (PROFIT)	**(1,649,292.08)**	**(519,302.77)**	**(1,483,479.00)**	**53,344.65**