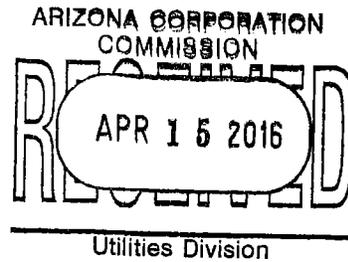


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

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

W-02448A

High Country Pines Water Company, Inc.  
6033 North 4th Place  
Phoenix, AZ 85012



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**

4-27-16



**Statutory Agent:** Susan Stroud

(Name)

6033 North 4th Place

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 274-5933

Telephone No. (Include Area Code)

(602) 274-6755

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Attorney:** \_\_\_\_\_

(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:

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

COMPANY NAME: High Country Pines Water Company, Inc.

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>Description</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization	\$ 5,167		\$ 5,167
302	Franchises			-
303	Land & Land Rights	3,450		3,450
304	Structures & Improvements	11,227	10,496	731
307	Wells & Springs	34,135	34,135	(0)
311	Pumping Equipment	48,270	48,270	(0)
320	Water Treatment Equipment	5,310	3,134	2,176
320.1	Water Treatment Plants			-
320.2	Solution Chemical Feeders			-
330	Distribution Reservoirs and Standpipes	82,645	49,261	33,384
330.1	Storage Tanks			-
330.2	Pressure Tanks			-
331	Transmission and Distribution Mains	543,367	313,591	229,776
333	Services	8,505	8,505	0
334	Meters and Meter Installations	34,727	18,995	15,732
335	Hydrants	19,016	12,940	6,076
336	Backflow Prevention Devices			-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	411	27	383
340.1	Computers & Software			-
341	Transportation Equipment			-
343	Tools, Shop and Garage Equipment			-
344	Laboratory Equipment			-
345	Power Operated Equipment			-
346	Communications Equipment			-
347	Miscellaneous Equipment			-
348	Other Tangible Plant	18,214	18,214	-
	<b>TOTALS</b>	<b>\$ 814,443</b>	<b>\$ 517,567</b>	<b>\$ 296,876</b>

Total Accumulated Depreciation amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: High Country Pines Water Company, Inc.

**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	\$ 5,167		\$ -
302	Franchises	-		-
303	Land & Land Rights	3,450	N/A	-
304	Structures & Improvements	11,227	3.33%	374
307	Wells & Springs	34,135	3.33%	-
311	Pumping Equipment	48,270	12.50%	-
320	Water Treatment Equipment	5,310	3.33%	177
320.1	Water Treatment Plants	-		-
320.2	Solution Chemical Feeders	-		-
330	Distribution Reservoirs and Standpipes	82,645	2.22%	1,835
330.1	Storage Tanks	-		-
330.2	Pressure Tanks	-		-
331	Transmission and Distribution Mains	543,367	2.00%	10,867
333	Services	8,505	3.33%	-
334	Meters and Meter Installations	34,727	8.33%	2,893
335	Hydrants	19,016	2.00%	380
336	Backflow Prevention Devices	-	6.67%	-
339	Other Plant and Misc. Equipment	-	5.00%	-
340	Office Furniture and Equipment	411	6.67%	27
340.1	Computers & Software	-	33.33%	-
341	Transportation Equipment	-	20.00%	-
343	Tools, Shop and Garage Equipment	-	5.00%	-
344	Laboratory Equipment	-	10.00%	-
345	Power Operated Equipment	-	5.00%	-
346	Communications Equipment	-	10.00%	-
347	Miscellaneous Equipment	-	10.00%	-
348	Other Tangible Plant	18,214	10.00%	-
	<b>SUBTOTAL</b>	<b>814,443</b>		<b>16,553</b>
	<b>LESS CIAC Amortization</b>			<b>(16,380)</b>
	<b>TOTALS *</b>	<b>\$ 814,443</b>		<b>\$ 173</b>

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

COMPANY NAME: High Country Pines Water Company, Inc.

**WATER UTILITY BALANCE SHEET**

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 33,379	\$ 36,828
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	715	918
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 34,094	\$ 37,746
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 809,466	\$ 814,443
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(501,014)	(517,567)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 308,452	\$ 296,876
	<b>TOTAL ASSETS</b>	\$ 342,546	\$ 334,622

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

COMPANY NAME: High Country Pines Water Company, Inc.

**WATER UTILITY BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 2,101	\$ 700
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	225	225
236	Accrued Taxes	1,705	1,685
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 4,031</b>	<b>\$ 2,610</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	\$ 3,183	\$ 2,863
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	611,497	611,497
272	Less: Amortization of contributions	(146,080)	(162,460)
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 468,600</b>	<b>\$ 451,900</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 472,631</b>	<b>\$ 454,510</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 150,466	\$ 150,466
211	Paid in Capital in Excess of Par Value	13,522	13,522
215	Retained Earnings	(294,073)	(283,876)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$ (130,085)</b>	<b>\$ (119,888)</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 342,546</b>	<b>\$ 334,622</b>

COMPANY NAME: High Country Pines Water Company, Inc.

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

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 74,360	\$ 70,628
460	Unmetered Water Revenue		
474	Other Water Revenues	690	824
	<b>TOTAL REVENUES</b>	<b>\$ 75,050</b>	<b>\$ 71,452</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ -	\$ -
610	Purchased Water		
615	Purchased Power	5,660	4,944
618	Chemicals	277	132
620	Repairs and Maintenance	9,234	8,212
621	Office Supplies and Expense	2,612	2,084
630	Outside Services	37,846	37,878
635	Water Testing	4,698	3,363
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability	3,085	1,607
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	71	(43)
403	Depreciation Expense	(378)	173
408	Taxes Other Than Income		
408.11	Property Taxes	2,925	2,710
409	Income Tax		50
427	Customer Security Deposit Interest		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 66,030</b>	<b>\$ 61,110</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 9,020</b>	<b>\$ 10,342</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 2	\$ -
421	Non-Utility Income		
426	Miscellaneous Non-Utility Exp		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ 2</b>	<b>\$ -</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 9,022</b>	<b>\$ 10,342</b>

COMPANY NAME: High Country Pines Water Company, Inc.

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	No loans			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ -	\$ -	\$ -	\$ -
Amount Outstanding	\$ -	\$ -	\$ -	\$ -
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$ -	\$ -	\$ -	\$ -
Current Year Principal	\$ -	\$ -	\$ -	\$ -

Meter Deposit Balance at Test Year End \$ 2,863

Meter Deposits Refunded During the Test Year \$ 320

COMPANY NAME: High Country Pines Water Company, Inc.

Name of System:

ADEQ Public Water System Number: 09-329

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-507314	30	104	950	8	N/A	1985

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

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

<b>BOOSTER PUMPS</b>	
Horsepower	Quantity
10.0	2
25.0	1

<b>FIRE HYDRANTS</b>	
Quantity Standard	Quantity Other
51	

<b>STORAGE TANKS</b>	
Capacity	Quantity
60,000 gal	1
100,000 gal	1

<b>PRESSURE TANKS</b>	
Capacity	Quantity
5,000 gal	1

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

COMPANY NAME: High Country Pines Water Company, Inc.  
 Name of System: ADEQ Public Water System Number: 09-329

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3	PVC	1,160
4		
5		
6	PVC	24,604
8	PVC	14,455
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 x 3/4	
3/4	204
1	
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	1
Comp. 6	
Turbo 6	

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

**TREATMENT EQUIPMENT:**

Liquid chlorinator

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**STRUCTURES:**

Pump House 18' x 20'

Chain link fence 3201

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**OTHER:**

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

COMPANY NAME: High Country Pines Water Company, Inc.  
 Name of System: ADEQ Public Water System Number: 09-329

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

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	204	182,807	182,807	-
FEBRUARY	204	167,967	167,967	-
MARCH	204	76,144	76,144	-
APRIL	204	349,369	349,369	-
MAY	204	362,634	362,634	-
JUNE	204	363,504	363,504	-
JULY	204	616,962	616,962	-
AUGUST	204	617,174	617,174	-
SEPTEMBER	204	627,370	627,370	-
OCTOBER	204	429,241	429,241	-
NOVEMBER	204	347,326	347,326	-
DECEMBER	204	277,698	277,698	-
<b>TOTALS</b>		4,418,196	4,418,196	-

What is the level of arsenic for each well on your system? 0.005 mg/l  
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 hours

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 sheets for each system.*

COMPANY NAME: High Country Pines Water Company, Inc.  
 Name of System: ADEQ Public Water System Number: 09-329

**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>
JANUARY	-	-	-
FEBRUARY	-	-	-
MARCH	-	-	-
APRIL	-	-	-
MAY	-	-	-
JUNE	-	-	-
JULY	-	-	-
AUGUST	-	-	-
SEPTEMBER	-	-	-
OCTOBER	-	-	-
NOVEMBER	-	-	-
DECEMBER	-	-	-
<b>TOTALS</b>	-	-	-

OTHER (description):

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**COMPANY NAME** High Country Pines Water Company, Inc.

**YEAR ENDING 12/31/15**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar year 2015 was: \$ 2,817

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. \_\_\_\_\_

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VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

APR 27 2016

VERIFICATION

STATE OF Arizona

COUNTY OF (COUNTY NAME)	NAVAJO
NAME (OWNER OR OFFICIAL) TITLE	Susan Stroud, President
COMPANY NAME	High Country Pines Water Company, Inc.

AZ CORP COMM  
Director - Utilities

I, THE UNDERSIGNED

OF THE

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	2014

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.

*Susan Stroud*  
SIGNATURE OF OWNER OR OFFICIAL

602-274-5933  
TELEPHONE NUMBER

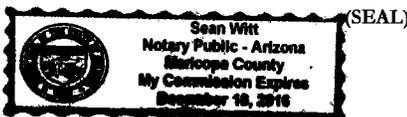
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	Maricopa
MONTH/YEAR	04/2016

THIS 22

DAY OF April,  
2016



*Sean Witt*  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

12/18/16

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**RECEIVED**

APR 27 2016

AZ CORP COMM  
Director - Utilities

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	NAVAJO
NAME (OWNER OR OFFICIAL) TITLE	Susan Stroud, President
COMPANY NAME	High Country Pines Water Company, Inc.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
<u>\$ 79,154</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 4,104  
IN SALES TAXES BILLED, OR COLLECTED)

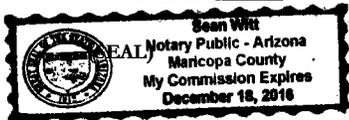
**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
 \_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
602-274-5933  
 \_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF THIS 22 DAY OF April, 2014

COUNTY NAME	Maricopa
MONTH/YEAR	04/2014



  
 \_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

12/18/16

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

**RECEIVED**

APR 27 2016

AZ CORP COMM  
Director - Utilities

VERIFICATION  
STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <b>NAVAJO</b>	
NAME (OWNER OR OFFICIAL) <b>Susan Stroud</b>	TITLE <b>President</b>
COMPANY NAME <b>High Country Pines Water Company, Inc.</b>	

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

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES  <b>\$ 70,971</b>
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THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 3,680  
IN SALES TAXES BILLED, OR COLLECTED

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

*Susan Stroud*  
SIGNATURE OF OWNER OR OFFICIAL

602-274-5933  
TELEPHONE NUMBER

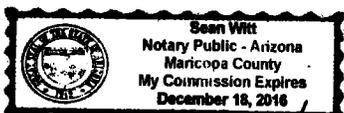
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 22 DAY OF April, 2016

NOTARY PUBLIC NAME <b>Sean Witt</b>
COUNTY NAME <b>Maricopa</b>
MONTH/YEAR <b>04/2016</b>

(SEAL)



MY COMMISSION EXPIRES 12/18/16

*Sean Witt*  
SIGNATURE OF NOTARY PUBLIC