

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

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

G-02527A

Graham County Utilities, Inc.  
PO Drawer B  
Pima, AZ 85543

**RECEIVED**  
**APR 12 2018**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

Please list current Company name including dba here:

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**ANNUAL REPORT**  
**Gas**

**FOR YEAR ENDING**

12	31	2017
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FOR COMMISSION USE

ANN 02	17
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4-12-18

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Graham County Utilities, Inc. – Gas Division</u>			
<b>Mailing Address</b> <u>PO Drawer B</u>			
(Street)			
<u>Pima</u>	<u>Arizona</u>	<u>85543</u>	
(City)	(State)	(Zip)	
<u>(928) 485-2451</u>	<u>(928) 485-9491</u>	<u>(928) 651-8850</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Email</b>			
Address <u>tashby@gce.coop</u>			
<b>Local Office Mailing Address</b> <u>PO Drawer B</u>			
(Street)			
<u>Pima</u>	<u>Arizona</u>	<u>85543</u>	
(City)	(State)	(Zip)	
<u>(928) 485-2451</u>	<u>1-800-577-9266</u>		
Local Customer Service Phone No. (Include Area Code)	(1-800 or other long distance Customer Service Phone No.)		
Email Address <u>tashby@gce.coop</u>		Website address <u>www.gce.coop</u>	

## MANAGEMENT INFORMATION

<input type="checkbox"/> <b>Regulatory Contact:</b>			
<input type="checkbox"/> <b>Management Contact:</b>			
<u>Than Ashby</u>		<u>CFO, Administrative Services Manager</u>	
(Name)		(Title)	
<u>PO Drawer B</u>	<u>Pima</u>	<u>Arizona</u>	<u>85543</u>
(Street)	(City)	(State)	(Zip)
<u>(928) 485-2451</u>	<u>(928) 485-9491</u>	<u>(928) 651-8850</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Email</b>			
Address <u>tashby@gce.coop</u>			
<b>On Site Manager:</b>			
<u>Kirk Gray</u>			
(Name)			
<u>PO Drawer B</u>	<u>Pima</u>	<u>Arizona</u>	<u>85543</u>
(Street)	(City)	(State)	(Zip)
<u>(928) 485-2451</u>	<u>(928) 485-9491</u>	<u>(928) 651-3380</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address: <u>kgray@gce.coop</u>			

**Statutory Agent:** J. Grant Walker

(Name)

1124 W Thatcher Blvd, Suite 202

(Street)

Safford

(City)

Arizona

(State)

85546

(Zip)

(928) 428-2728

Telephone No. (Include Area Code)

(928) 485-9491

Fax No. (Include Area Code)

(480) 747-3121

Cell No. (Include Area Code)

**Attorney:** J. Grant Walker

(Name)

1124 W Thatcher Blvd, Suite 202

(Street)

Safford

(City)

Arizona

(State)

85546

(Zip)

(928) 428-2728

Telephone No. (Include Area Code)

(928) 485-9491

Fax No. (Include Area Code)

(480) 747-3121

Cell No. (Include Area Code)

**Email**

**Address** grant@jgwalkerlaw.com

### 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

## SERVICES AUTHORIZED TO PROVIDE

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

**Gas**

Natural Gas

Propane

**Other** (Specify) \_\_\_\_\_

## STATISTICAL INFORMATION

### GAS UTILITIES ONLY

Total number of customers	5,173
Residential	4,892
Commercial	276
Industrial	_____
Irrigation	5
Resale	_____
Total therms sold	2,266,834      therms
Residential	1,442,429
Commercial	818,635
Industrial	_____
Irrigation	5,770
Resale	_____

COMPANY NAME: Graham County Utilities, Inc. – Gas Division

**UTILITY SHUTOFFS / DISCONNECTS**

MONTH	Termination without Notice R14-2-311.B	Termination with Notice R14-2-311.C	OTHER
JANUARY		17	
FEBRUARY		19	
MARCH		23	
APRIL		4	
MAY		15	
JUNE		6	
JULY		2	
AUGUST		16	
SEPTEMBER		20	
OCTOBER		19	
NOVEMBER		3	
DECEMBER		2	
<b>TOTALS →</b>		146	

OTHER (description):

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**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED

APR 12 2018

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<b>Graham</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>Than Ashby, CFO</b>
COMPANY NAME	<b>Graham County Utilities, Inc. - Gas Division</b>

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

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2017

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 2017 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)  \$ <u>3,124,336</u>
--

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 228,539  
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)**

*Than Ashby*  
 \_\_\_\_\_  
 SIGNATURE OF OWNER OR OFFICIAL  
 (928) 485-2451  
 \_\_\_\_\_  
 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 9th DAY OF

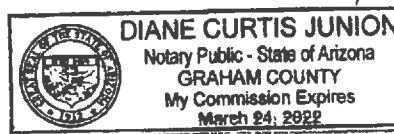
(SEAL)

COUNTY NAME <u>Graham</u>	
MONTH <u>April</u>	. <u>2018</u>

MY COMMISSION EXPIRES

3-24-2022

*Diane Curtis Junon*  
 \_\_\_\_\_  
 SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**RECEIVED**  
**APR 12 2018**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <b>Graham</b>	
NAME (OWNER OR OFFICIAL) <b>Than Ashby</b>	TITLE <b>CFO</b>
COMPANY NAME <b>Graham County Utilities, Inc. - Gas Division</b>	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2017

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 2017 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES  <b>\$ 2,256,685</b>
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(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 167,213 IN SALES TAXES BILLED, OR COLLECTED)

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

*Than Ashby*  
SIGNATURE OF OWNER OR OFFICIAL

(928) 485-2451  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

9th

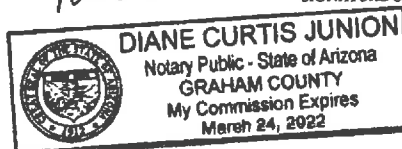
DAY OF

(SEAL)

MY COMMISSION EXPIRES *March 24, 2022*

NOTARY PUBLIC NAME <b>Diane Curtis Junion</b>	
COUNTY NAME <b>Graham</b>	
MONTH <i>April</i>	20 <i>18</i>

*Diane Curtis Junion*  
SIGNATURE OF NOTARY PUBLIC



## FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2016) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**



**GRAHAM COUNTY UTILITIES, INC. - GAS  
REVENUE FOR THE YEAR 2017**

	SALES TAX				TOTAL	FRANCHISE FEES			
	STATE <u>236.50 02</u>	THATCHER <u>236.80 02</u>	PIMA <u>236.90 02</u>	SAFFORD <u>236.95 02</u>		THATCHER <u>236.60 02</u>	PIMA <u>236.70 02</u>	TOTAL	TOTAL
Jan	25,036.30	3,099.35	1,337.55	21.72	29,494.92	2,435.10	1,311.73	3,746.83	33,241.75
Feb	26,194.73	3,357.50	1,615.76	20.59	31,188.58	2,636.63	1,584.20	4,220.83	35,409.41
Mar	20,516.13	2,705.37	1,070.03	18.09	24,309.62	2,126.91	1,049.59	3,176.50	27,486.12
Apr	13,197.86	1,909.74	592.80	13.74	15,714.14	1,497.34	580.56	2,077.90	17,792.04
May	10,287.08	1,341.93	424.98	12.11	12,066.10	1,052.10	462.75	1,514.85	13,580.95
Jun	9,484.66	1,063.44	459.18	11.03	11,018.31	833.84	450.28	1,284.12	12,302.43
Jul	9,081.40	1,126.02	378.59	10.67	10,596.68	882.54	408.19	1,290.73	11,887.41
Aug	8,873.26	1,098.85	351.18	10.57	10,333.86	862.26	400.61	1,262.87	11,596.73
Sep	11,971.87	2,030.92	617.89	11.04	14,631.72	969.30	420.81	1,390.11	16,021.83
Oct	9,722.91	1,219.21	432.35	12.23	11,386.70	956.62	423.90	1,380.52	12,767.22
Nov	10,190.54	1,316.69	449.26	12.58	11,969.07	1,033.62	440.59	1,474.21	13,443.28
Dec	17,661.50	2,046.29	845.73	21.29	20,574.81	1,605.77	829.14	2,434.91	23,009.72
<b>Total</b>	<b>172,218.24</b>	<b>22,315.31</b>	<b>8,575.30</b>	<b>175.66</b>	<b>203,284.51</b>	<b>16,892.03</b>	<b>8,362.35</b>	<b>25,254.38</b>	<b>228,538.89</b>

	<u>440.10 02</u>	<u>441.00 02</u>	<u>442.10 02</u>	<u>456.00 02</u>	<u>456.10 02</u>	<u>456.14 02</u>	<u>456.16 02</u>	<u>456.18 02</u>	
Jan	296,028.15	153.06	116,831.59	-	-	2,880.00	150.00	700.38	416,743.18
Feb	309,732.44	143.89	126,998.17	-	-	2,340.00	-	1,131.57	440,346.07
Mar	253,916.92	168.05	90,839.88	-	-	2,970.00	130.00	1,000.00	349,024.85
Apr	161,637.47	260.33	63,570.68	-	-	2,070.00	-	600.86	228,139.34
May	132,621.60	429.34	42,912.78	-	-	1,770.00	-	897.58	178,631.30
Jun	130,202.72	968.45	31,925.63	2,190.00	600.00	-	-	325.65	166,212.45
Jul	117,141.30	1,369.88	35,564.17	2,070.00	60.00	-	-	464.81	156,670.16
Aug	115,020.20	1,647.01	34,392.89	2,130.00	420.00	-	-	590.63	154,200.73
Sep	121,287.38	307.39	40,631.48	2,490.00	600.00	-	-	315.95	165,632.20
Oct	122,256.18	212.36	42,131.80	2,100.00	450.00	270.00	-	338.00	167,758.34
Nov	127,955.66	151.59	43,800.17	1,980.00	90.00	50.00	-	684.19	174,711.61
Dec	201,672.23	185.59	92,208.90	3,150.00	60.00	150.00	-	300.22	297,726.94
<b>Total</b>	<b>2,089,472.25</b>	<b>5,996.94</b>	<b>761,808.14</b>	<b>-</b>	<b>16,110.00</b>	<b>14,310.00</b>	<b>750.00</b>	<b>7,349.84</b>	<b>2,895,797.17</b>

G/L #	ACCOUNT NAME	FACTOR	TOTAL	FRANCHISE	STATE	CITY	TOTAL
440.10 02	RESIDENTIAL	2,089,472.25	2,089,472.25	18,506.89	125,939.90	22,765.95	2,256,684.99
441.00 02	IRRIGATION	-	5,996.94	-	361.46	-	6,358.40
442.10 02	COMMERCIAL	761,808.14	761,808.14	6,747.49	45,916.88	8,300.32	822,772.83
456.00 02	MISCELLANEOUS	-	-	-	-	-	-
456.10 02	MISC - ESTABLISHMENT	-	16,110.00	-	-	-	16,110.00
456.14 02	MISC - RECONNECT	-	14,310.00	-	-	-	14,310.00
456.16 02	MISC - RECONN AFTER HRS	-	750.00	-	-	-	750.00
456.18 02	MISC - NSF LATE FEES	-	7,349.84	-	-	-	7,349.84
		<b>2,851,280.39</b>	<b>2,895,797.17</b>	<b>25,254.38</b>	<b>172,218.24</b>	<b>31,066.27</b>	<b>3,124,336.06</b>
			<u>228,538.89</u>				
			<u>3,124,336.06</u>				

<b>FINANCIAL AND STATISTICAL REPORT</b>  Round ALL AMOUNTS to nearest dollar.	<b>GRAHAM COUNTY UTILITIES, INC.</b> <b>GAS SYSTEM</b> <b>PIMA, AZ 85543</b> <b>MONTH ENDING</b> <b>December 31, 2017</b>
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**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	2/5/2018 DATE
 SIGNATURE OF MANAGER	2/5/18 DATE

**PART A. STATEMENT OF OPERATIONS**

ITEM	YEAR-TO-DATE			December
	LAST YEAR	THIS YEAR	BUDGET	THIS MONTH
	(a)	(b)	(c)	(d)
1. Operating Revenue and Patronage Capital	3,144,547	2,895,797	3,358,612	297,727
2. Gas Production Expense	-	-	-	-
3. Cost of Purchased Gas	1,088,964	939,895	1,197,150	108,955
4. Transmission Expense	-	-	-	-
5. Distribution Expense - Operations	519,043	516,842	529,671	39,526
6. Distribution Expense - Maintenance	425,545	356,889	459,021	37,936
7. Consumer Accounts Expense	394,434	348,115	392,440	30,736
8. Customer Service and Informational Expense	-	-	-	-
9. Sales Expense	-	-	-	-
10. Administrative and General Expense	566,305	581,442	511,884	47,473
11. Total Operation & Maintenance Expense (2 - 10)	2,994,290	2,743,183	3,090,166	264,626
12. Depreciation and Amortization Expense	160,437	162,943	163,214	13,790
13. Tax Expense - Property	-	-	-	-
14. Tax Expense - Other	-	-	-	-
15. Interest on Long-Term Debt	123,670	116,056	116,229	9,203
16. Interest Charged to Construction - Credit	-	-	-	-
17. Interest Expense - Other	28,056	37,120	39,070	3,328
18. Other Deductions	-	-	-	-
19. Total Cost of Gas Service (11 - 18)	3,306,454	3,059,302	3,408,679	290,947
20. Patronage Capital & Operating Margins (1 - 19)	(161,907)	(163,505)	(50,067)	6,780
21. Non Operating Margins - Interest	-	-	-	-
22. Allowance for Funds Used During Construction	-	-	-	-
23. Non Operating Margins - Other	-	-	-	-
24. Generation & Transmission Capital Credits	-	-	-	-
25. Other Capital Credits and Patronage Dividends	4,231	4,352	4,231	-
26. Extraordinary Items	-	-	-	-
27. Patronage Capital or Margins (20 - 26)	(157,676)	(159,153)	(45,836)	6,780

**PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	25	35			
2. Service Retired		-	6. Miles Distribution	246	247
3. Total Services in Place	5,416	5,498			
4. Idle Services (Exclude Seasonal)	-	-	8. Total Miles (5+6+7)	246	247

<b>FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER DESIGNATION</b>
	<b>GAS SYSTEM</b>
	<b>MONTH ENDING</b>
Round ALL AMOUNTS to nearest dollar.	<b>December 31, 2017</b>

**PART C. BALANCE SHEET**

<b>ASSETS AND OTHER DEBITS</b>		<b>LIABILITIES AND OTHER CREDITS</b>	
1. Total Utility Plant in Service	5,783,418	26. Memberships	25,215
2. Construction Work in Progress	37,235	27. Patronage Capital	(683,516)
3. Total Utility Plant (1 + 2)	5,820,653	28. Operating Margins - Prior Years	
4. Accum. Provision for Depreciation & Amort.	3,515,654	29. Operating Margins - Current Year	(163,505)
5. Net Utility Plant (3 -4)	2,304,999	30. Non Operating Margins	4,352
6. Nonutility Property _ Net	-	31. Other Margins and Equities	-
7. Invest in Assoc Org - Patronage Capital	-	32. Total Margins & Equities (26 thru 31)	(817,454)
8. Invest in Assoc Org - General Funds	170,749	33. Long-Term Debt RUS (Net)	-
9. Invest in Assoc Org - Nongeneral Funds	-	(Payments - Unapplied \$	
10. Other Investments	-	34. Long-Term Debt - Other (net)	1,860,440
11. Special Funds	-	(Payments - Unapplied \$	
12. Total Other Property & Investments (6 thru 11)	170,749	35 Total Long-Term Debt(33 + 34)	1,860,440
13. Cash - General Funds	-	36. Notes Payable	-
14. Cash - Construction Funds - Trustee	-	37. Accounts Payable	1,519,185
15. Special Deposits	-	38. Consumers Deposits	135,935
16. Temporary Investments	-	39. Other Current & Accrued Liabilities	38,633
17. Notes Receivable - Net	-	40. Total Current & Accrued Liab (36 thru 39)	1,693,753
18. Accounts Receivable - Sales of Gas	165,688	41. Deferred Credits	-
19. Accounts Receivable - Fuel Bank	554	42. Miscellaneous Operating Reserves	-
20. Materials & Supplies - Gas & Other	81,067	43. Total Liabilities & Other Credits (32 +	
21. Prepayments	10,254	35 + 40 thru 42)	2,736,739
22. Other Current & Accrued Assets	-	<b>ESTIMATED CONTRIBUTIONS IN AID TO CONSTRUCTION</b>	
23. Total Current & Accrued Assets (13 thru 22)	257,563	Balance Beginning of Year	1,366,575
24. Deferred Debits	3,427	Amounts Received This Year (Net)	41,448
25. Total Assets & Other Debits (5+12+23+24)	2,736,739	TOTAL Contributions in Aid of Construction	1,408,023

**PART D. CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH			YEAR TO DATE	
	NO. RECEIVING SERVICE	THERMS SOLD	AMOUNT	THERMS SOLD CUMULATIVE	AMOUNT CUMULATIVE
1. RESIDENTIAL SALES	4,892	152,079	201,672.23	1,442,429	2,089,472
2. IRRIGATION SALES	5	77	185.59	5,770	5,997
3. COMM & INDUSTRIAL	276	102,710	92,208.90	818,635	761,808
4. TOTAL GAS SALES	5,173	254,866	294,066.72	2,266,834	2,857,277
5. OTHER GAS REVENUE			3,660.22		38,520
6. TOTAL	5,173	254,866	297,726.94	2,266,834	2,895,797

**PART E. GAS STATISTICS**

ITEM	THIS MONTH	YEAR TO DATE	ITEM	THIS MONTH	YEAR TO DATE
1. THERMS PURCHASED	289,500	2,011,950	6. OFFICE USE		
2.			7. UNACCOUNTED FOR	34,634	(254,884)
3. TOTAL PURCHASED	289,500	2,011,950	8. % SYSTEM LOSS	11.96%	-12.67%
			9. MAXIMUM DEMAND		
4. TOTAL SOLD	254,866	2,266,834	10. MONTH WHEN MAXIMUM DEMAND OCCURRED		

## BALANCE SHEET

DIV	TYPE	LINE	G/L #	DESCRIPTION	YTD	CURRENT
2	B	1	211400	UTILITY PLANT ACQUISITION ADJ	415,484.27	-
2	B	1	230100	ORGANIZATION	42,522.00	-
2	B	1	235000	LAND & LAND RIGHTS	325.00	-
2	B	1	237400	LAND & LAND RIGHTS	1,091.03	-
2	B	1	237600	MAINS	2,398,625.99	-
2	B	1	238000	SERVICES	1,033,499.72	-
2	B	1	238100	METERS & REGULATORS	1,640,147.01	(248.16)
2	B	1	239000	STRUCTURES & IMPROVEMENTS	8,259.17	-
2	B	1	239100	OFFICE EQUIPMENT	2,750.00	-
2	B	1	239200	TRANSPORTATION EQUIPMENT	200.00	-
2	B	1	239400	TOOLS, SHOP & GARAGE EQUIP	167,878.56	-
2	B	1	239600	POWER OPERATED EQUIPMENT	72,635.28	-
				<b>TOTAL PLANT IN SERVICE</b>	<b>5,783,418.03</b>	<b>(248.16)</b>
2	B	2	210713	LEAK SURVEY AND REPAIR	(226.51)	-
2	B	2	210720	CWIP	34,730.28	6,625.45
2	B	2	210728	CWIP - LABOR OVERHEAD	130.05	43.35
2	B	2	210729	CWIP - MATERIAL OVERHEAD	2,601.54	437.92
				<b>TOTAL CWIP</b>	<b>37,235.36</b>	<b>7,106.72</b>
				<b>TOTAL UTILITY PLANT</b>	<b>5,820,653.39</b>	<b>6,858.56</b>
2	B	4	210860	ACCUM PROV FOR DEPR-DIST PLANT	(2,851,747.51)	(12,681.57)
2	B	4	210870	ACCUM PROV FOR DEPR-GEN PLANT	(248,422.27)	(1,108.41)
2	B	4	211410	AMORTIZATION-UTILITY PLANT ACQUISITION	(415,484.27)	-
				<b>ACCUMULATED PROVISION FOR DEPR</b>	<b>(3,515,654.05)</b>	<b>(13,789.98)</b>
				<b>NET UTILITY PLANT</b>	<b>2,304,999.34</b>	<b>(6,931.42)</b>
2	B	8	212322	INVESTMENTS IN CFC MEMBERSHIP	500.00	-
2	B	8	212323	CFC CAPITAL TERM CERTIFICATES	96,255.25	-
2	B	8	212324	CFC PATRONAGE CAPITAL	73,546.84	-
2	B	8	212325	PATRONAGE CAPITAL ASSOC ORGANIZATIONS-GCEC	446.56	-
				<b>INVESTMENT IN ASSOCIATED ORGANIZATIONS</b>	<b>170,748.65</b>	<b>-</b>
2	B	18	214200	A/R	220,709.54	131,730.23
2	B	18	214250	A/R BILLABLE REPAIRS	2,093.92	(1,941.71)
2	B	18	214420	ACCUM PROV FOR UNCOLLECTIBLE ACCTS	(57,115.18)	(172.77)
				<b>TOTAL ACCOUNTS RECEIVABLE</b>	<b>165,688.28</b>	<b>129,615.75</b>
2	B	19	214210	A/R - FUEL BANK	554.00	27,681.00
				<b>TOTAL OTHER RECEIVABLES</b>	<b>554.00</b>	<b>27,681.00</b>
2	B	20	215400	MATERIAL & SUPPLIES INVENTORY	81,067.37	1,073.51
				<b>TOTAL INVENTORY</b>	<b>81,067.37</b>	<b>1,073.51</b>
2	B	21	216510	PREPAID INSURANCE	10,253.65	(1,464.81)
				<b>TOTAL PREPAYMENTS</b>	<b>10,253.65</b>	<b>(1,464.81)</b>
				<b>TOTAL CURRENT ASSETS</b>	<b>257,563.30</b>	<b>156,905.45</b>
2	B	24	218675	RATE CASE - 2012	3,427.35	(380.79)
				<b>TOTAL DEFERRED DEBITS</b>	<b>3,427.35</b>	<b>(380.79)</b>
				<b>TOTAL ASSETS</b>	<b>2,736,738.64</b>	<b>149,593.24</b>
				<b>LIABILITIES AND CAPITAL</b>		
2	B	26	220010	MEMBERSHIPS CLASS	(2,500.00)	-
2	B	26	220020	MEMBERSHIP CLASS	(22,715.00)	(60.00)
				<b>MEMBERSHIPS ISSUED</b>	<b>(25,215.00)</b>	<b>(60.00)</b>
2	B	27	220110	PATRONAGE CAPITAL	683,515.75	-
				<b>PATRONAGE CAPITAL CREDITS</b>	<b>683,515.75</b>	<b>-</b>
2	B	29	221910	OPERATING MARGINS	163,505.30	(6,779.81)
2	B	30	221920	NON OPERATING MARGINS	(4,351.95)	-
2	B	30	222000	OPERATIONS CLEARING		
				<b>NET INCOME</b>	<b>159,153.35</b>	<b>(6,779.81)</b>
				<b>TOTAL MARGINS AND EQUITY</b>	<b>817,454.10</b>	<b>(6,839.81)</b>
2	B	34	222410	CIAC REFUNDS PAYABLE	(60,418.19)	-
2	B	34	222414	NOTE PAYABLE - GCEC	(646,155.48)	7,859.92
2	B	34	222430	CFC CONSTRUCTION NOTE	(429,882.18)	9,455.56
3	B	34	222440	CFC CONSTRUCTION NOTE - REPAY GCEC	(723,983.99)	3,306.92
				<b>TOTAL LONG TERM DEBT</b>	<b>(1,860,439.84)</b>	<b>20,622.40</b>
2	B	37	223100	DUE TO GRAHAM COUNTY ELECT	(1,382,549.92)	(120,044.20)
2	B	37	223210	ACCOUNTS PAYABLE	(136,635.01)	(44,235.80)
				<b>TOTAL ACCOUNTS PAYABLE</b>	<b>(1,519,184.93)</b>	<b>(164,280.00)</b>
2	B	38	223500	CONSUMER SECURITY DEPOSITS	(135,935.04)	1,050.00
				<b>TOTAL CONSUMER DEPOSITS</b>	<b>(135,935.04)</b>	<b>1,050.00</b>
2	B	39	223650	ACCRUED STATE SALES TAX	(17,329.07)	(7,323.09)
2	B	39	223680	ACCRUED CITY SALES TAX - THATCHER	(2,046.29)	(729.60)
2	B	39	223690	ACCRUED SALES TAX - PIMA	(845.73)	(396.47)
2	B	39	223698	USE TAX PAYABLE	(21.29)	(8.71)
2	B	39	223740	ACCRUED INTEREST-SECURITY DEPOSITS	(18,390.55)	(201.02)
				<b>OTHER CURRENT &amp; ACCRUED LIABILITIES</b>	<b>(38,632.93)</b>	<b>(145.83)</b>
				<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<b>(1,693,752.90)</b>	<b>(163,375.83)</b>
				<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>(2,736,738.64)</b>	<b>(149,593.24)</b>

INCOME STATEMENT		December 31, 2017				
LINE	G/L #	DESCRIPTION	LAST YEAR	YTD	BUDGET	CURRENT
1	244010	RESIDENTIAL SALES	(2,268,291.79)	(2,089,472.25)	(2,457,372.00)	(201,672.23)
1	244100	IRRIGATION SALES	(5,131.18)	(5,996.94)	(6,581.00)	(185.59)
1	244210	COMMERCIAL & INDUSTRIAL SALES-SMALL	(836,266.97)	(761,808.14)	(859,700.00)	(92,208.90)
1	245610	MISC GAS REVENUE-ESTABLISHMENT	(12,835.00)	(16,110.00)	(34,959.00)	(3,150.00)
1	245614	MISC GAS REVENUE-DISCONNECT/RECONNECT	(13,430.00)	(14,310.00)	-	(60.00)
1	245616	MISC GAS REVENUE-RECONNECT AFTER HOURS	(620.00)	(750.00)	-	(150.00)
1	245618	MISC GAS REVENUE-NSF CHECK & LATE FEES	(7,972.20)	(7,349.84)	-	(300.22)
		<b>OPERATING REVENUES</b>	<b>(3,144,547.14)</b>	<b>(2,895,797.17)</b>	<b>(3,358,612.00)</b>	<b>(297,726.94)</b>
3	255500	GAS PURCHASES	1,064,259.48	934,577.39	1,197,150.00	136,635.01
3	255540	FUEL BANK-OVER OR UNDER COLLECTIONS	24,705.00	5,317.00	-	(27,680.00)
		<b>COST OF GAS PURCHASED</b>	<b>1,088,964.48</b>	<b>939,894.39</b>	<b>1,197,150.00</b>	<b>108,955.01</b>
5	258000	OPERATIONS-SUPERVISION	95,216.49	46,420.27	59,833.00	4,713.28
5	258200	REGULATOR STATIONS-MAINTENANCE	3,206.78	4,353.39	3,262.00	2,401.59
5	258300	OPERATION - LINES	33,103.21	33,168.11	44,430.00	2,764.01
5	258310	PATROLLING LINES	1,239.61	-	-	-
5	258320	COMPLIANCE TESTING & CHECKING	184,217.45	243,083.41	142,798.00	12,835.85
5	258600	METER EXPENSE	17,036.82	17,288.72	21,689.00	1,422.49
5	258610	METER INSPEC & TESTING	6,280.23	2,397.54	6,314.00	-
5	258620	METER INSTALL & REMOVAL	100,722.18	85,694.99	166,611.00	8,498.59
5	258810	BLUE STAKE	64,915.15	71,331.42	68,802.00	5,798.20
5	258901	SERVICE TRUCK RENTAL EXPENSE	13,104.60	13,104.60	15,932.00	1,092.05
		<b>DISTRIBUTION EXPENSE - OPERATIONS</b>	<b>519,042.52</b>	<b>516,842.45</b>	<b>529,671.00</b>	<b>39,526.06</b>
6	259000	MAINTENANCE-SUPERVISION	7,484.50	1,633.90	18,717.00	-
6	259200	MAINT OF STATION EQUIP	397.36	330.19	148.00	-
6	259300	LINE MAINTENANCE	276,898.54	239,778.19	305,038.00	31,061.76
6	259330	LEAK SURVEY AND REPAIR	72,452.01	52,472.94	65,589.00	131.69
6	259350	TROUBLE CALLS	49,331.67	43,031.81	49,298.00	5,530.16
6	259360	STANDBY	18,980.80	19,642.26	20,231.00	1,212.21
7	259370	GPS / GIS SYSTEM MAPPING	26,969.10	1,941.79	-	55.50
		<b>DISTRIBUTION EXPENSE - MAINTENANCE</b>	<b>452,513.98</b>	<b>358,831.08</b>	<b>459,021.00</b>	<b>37,991.32</b>
7	290200	METER READING EXPENSE	88,910.35	80,603.06	116,800.00	5,509.61
7	290300	CONSUMER RECORDS & COLL EXP	6,709.30	8,611.77	4,886.00	380.86
7	290301	NEW ACCOUNTS/CLOSED ACCOUNTS	35,808.29	34,831.74	29,854.00	2,724.49
7	290302	CASHIERING	72,504.61	75,047.42	83,968.00	7,708.08
7	290303	BILLING	32,298.91	21,478.44	23,035.00	2,493.28
7	290304	ACCOUNTS PAYABLE	15,723.73	16,522.54	13,553.00	1,387.39
7	290305	PAYROLL PREPARATION	14,373.73	15,343.15	11,861.00	1,686.62
7	290306	GENERAL LEDGER	28,822.79	26,794.47	16,959.00	2,725.48
7	290307	DELINQUENT ACCOUNTS	31,876.29	29,117.76	30,311.00	2,815.04
7	290308	FILING	966.08	2,458.20	1,420.00	457.05
7	290309	TROUBLE CALLS	-	-	22.00	-
7	290310	CASH OVER SHORT	(100.45)	-	-	-
7	290311	WORK ORDERS	831.30	1,192.10	1,483.00	137.32
7	290314	INVENTORY CLEARING	771.75	1,068.23	3,616.00	168.65

INCOME STATEMENT		December 31, 2017				
LINE	G/L #	DESCRIPTION	LAST YEAR	YTD	BUDGET	CURRENT
7	290315	CUSTOMER RELATIONS	22,679.88	23,409.53	30,426.00	2,105.94
7	290316	FAIR TIME	2,509.89	3,339.42	2,380.00	-
7	290317	RATE RELATED EXPENSE	4,569.48	4,569.48	-	380.79
7	290318	CONSUMER MEETINGS	4,648.96	1,639.38	2,621.00	-
7	290400	UNCOLLECTIBLE ACCOUNTS	3,559.50	148.38	19,245.00	-
7	290410	MISCELL WRITE OFF EXPENSE	0.36	(1.60)	-	-
		<b>CONSUMER ACCOUNT EXPENSE</b>	<b>367,464.75</b>	<b>346,173.47</b>	<b>392,440.00</b>	<b>30,680.60</b>
10	292000	ADMIN & GENERAL SALARIES	209,332.40	222,562.95	165,811.00	19,457.13
10	292010	EMPLOYEES MEETINGS	34,552.94	31,057.12	13,033.00	538.98
10	292100	OFFICE SUPPLIES & EXP	104,745.29	99,795.54	75,741.00	7,255.80
10	292300	OUTSIDE SERVICES EMPLOYED	13,614.29	11,561.02	16,188.00	150.00
10	292400	PROPERTY INSURANCE	-	176.00	-	-
10	292500	INJURIES & DAMAGES INS	19,604.89	19,245.72	26,057.00	1,464.81
10	292600	EMPLOYEE PENSION BENEFITS	-	182.00	139.00	-
10	292610	EDUCATION & TRAINING	30,235.73	43,178.75	23,417.00	5,543.34
10	292611	DIRECTORS EDUCATION	-	990.00	-	-
10	292620	SAFETY EDUCATION	46,261.84	56,838.93	30,936.00	5,193.72
10	292800	REGULATORY COMMISSION EXP	7,008.06	7,667.43	8,235.00	-
10	293000	MISC GENERAL EXPENSE	14,662.94	5,539.91	5,748.00	476.70
10	293002	DIRECTORS FEES	11,758.18	10,617.73	13,461.00	917.68
10	293010	PUBLICATIONS	3,507.91	6,056.12	726.00	470.84
10	293100	MANAGEMENT FEE	29,937.55	26,039.17	80,462.00	2,719.44
10	293110	COMPUTER RENTAL EXPENSE	6,438.60	6,438.60	6,696.00	536.55
10	293200	MAINT-GENERAL PLANT	-	-	1,644.00	-
10	293210	MAINT-BUILDINGS	20,822.75	24,651.07	29,818.00	2,351.77
10	293220	MAINT-GROUNDS & YARDS	13,821.31	8,843.57	13,772.00	395.90
		<b>ADMINISTRATIVE AND GENERAL EXPENSE</b>	<b>566,304.68</b>	<b>581,441.63</b>	<b>511,884.00</b>	<b>47,472.66</b>
		<b>TOTAL OPERATIONS AND MAINTENANCE EXPEN</b>	<b>2,994,290.41</b>	<b>2,743,183.02</b>	<b>3,090,166.00</b>	<b>264,625.65</b>
12	240360	DEPREC-DISBURTION PLANT	147,731.42	150,956.30	124,467.00	12,681.57
12	240370	DEPREC-GENERAL PLANT	12,706.06	11,986.80	19,191.00	1,108.41
12	240600	AMORTIZATION-UTILITY PLANT ACQUISITION	-	-	19,556.00	-
		<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>	<b>160,437.48</b>	<b>162,943.10</b>	<b>163,214.00</b>	<b>13,789.98</b>
15	242720	INTEREST DUE LTD-CFC	80,947.08	77,780.37	116,229.00	6,240.04
15	242721	INTEREST ON LTD-GCEC	42,723.25	38,275.55	-	2,963.00
		<b>INTEREST ON LONG-TERM DEBT</b>	<b>123,670.33</b>	<b>116,055.92</b>	<b>116,229.00</b>	<b>9,203.04</b>
17	242800	AMORTIZATION OF DEBT DISCOUNT & EXPENSE	-	-	3,362.00	-
17	243110	INTEREST EXPENSE-SEC DEPOSITS	9,150.23	9,706.67	2,492.00	699.24
17	243210	INTEREST EXPENSE	18,905.47	27,413.76	33,216.00	2,629.22
		<b>INTEREST EXPENSE - OTHER</b>	<b>28,055.70</b>	<b>37,120.43</b>	<b>39,070.00</b>	<b>3,328.46</b>
		<b>TOTAL COST OF GAS SERVICE</b>	<b>3,306,453.92</b>	<b>3,059,302.47</b>	<b>3,408,679.00</b>	<b>290,947.13</b>
		<b>OPERATING MARGINS</b>	<b>161,906.78</b>	<b>163,505.30</b>	<b>50,067.00</b>	<b>(6,779.81)</b>
25	242400	OTHER CAPITAL CREDITS & PATRONAGE	(4,230.69)	(4,351.95)	(4,231.00)	-
		<b>PATRONAGE CAPITAL</b>	<b>(4,230.69)</b>	<b>(4,351.95)</b>	<b>(4,231.00)</b>	<b>-</b>
		<b>NET MARGINS (PROFIT)</b>	<b>157,676.09</b>	<b>159,153.35</b>	<b>45,836.00</b>	<b>(6,779.81)</b>