ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-02250A
Arizona Windsong Realty, Inc.
PO Box 261
Sanders, AZ 86512

ANNUAL REPORT

RECEIVED
APR 17 2006
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

FOR YEAR ENDING

12	31	2005

FOR COMMISSION USE

ANN04	05

entered
4-18-06
RF

COMPANY INFORMATION

Company Name (Business Name) AZ. WINDSONG Realty (Water)

Mailing Address Po Box 261
(Street)

Sanders (City) AZ (State) 86512 (Zip)

928.688.2467 (Telephone No. (Include Area Code)) 928-688-2398 (Fax No. (Include Area Code)) -0- (Pager/Cell No. (Include Area Code))

Email Address -0-

Local Office Mailing Address Po Box 261
(Street)

Sanders (City) AZ (State) 86512 (Zip)

928.688 2467 (Local Office Telephone No. (Include Area Code)) 928-688.2398 (Fax No. (Include Area Code)) -0- (Pager/Cell No. (Include Area Code))

Email Address -0-

MANAGEMENT INFORMATION

Management Contact: Pat Paulsell (Name) Owner (Title)

Lot 34 (Street) AZ. Pavis Estates (City) Sanders (City) AZ (State) 86512 (Zip)

928 688.2467 (Telephone No. (Include Area Code)) 928.688 2398 (Fax No. (Include Area Code)) -0- (Pager/Cell No. (Include Area Code))

Email Address -0-

On Site Manager: H-H WATER MANAGEMENT
(Name)

Po Box 870 (Street) St Johns (City) Az (State) 85936 (Zip)

928-587-3235 (Telephone No. (Include Area Code)) 928.587-6838 (Fax No. (Include Area Code)) (Pager/Cell No. (Include Area Code))

Email Address -0-

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

Statutory Agent: _____
(Name)

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

_____
Telephone No. (Include Area Code) Fax No. (Include Area Code Pager/Cell No. (Include Area Code)

Attorney: David Davies
(Name)

236 NORTHBAND NORTH 40th St. Phoenix 85018
(Street) (City) (State) (Zip)

_____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

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	A2. Windsong Realty Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	3,475.00	915.00	2,560.00
311	Pumping Equipment	10,650.00	2.802.00	7,848.00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	94,869.00	25,000.00	69,000.00
331	Transmission and Distribution Mains	23,869.00	8,650.00	24,219.00
333	Services	7,520.00	1,950.00	5,570.00
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3000.00	800.00	2,200.00
341	Transportation Equipment	25,000.00	20,000.00	5,000
343	Tools, Shop and Garage Equipment	3,000.00	500.00	2,500.00
344	Laboratory Equipment			
345	Power Operated Equipment	4,000.00	1,000.00	3,000.00
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	175,383.00	61,617.00	113,760.00

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

COMPANY NAME	AZ Windsong Realty (Water)

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			

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

COMPANY NAME	AZ. Windsong Realty (Water)

BALANCE SHEET

Acct .No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ -0-	$ -0-
134	Working Funds	1,000.00	1,000.00
135	Temporary Cash Investments	None	None
141	Customer Accounts Receivable	None	None
146	Notes/Receivables from Associated Companies	None	None
151	Plant Material and Supplies		
162	Prepayments	3,800.00	3,800.00
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	$ 5,600.00	$ 5,600.00
	FIXED ASSETS		
101	Utility Plant in Service	$	$
103	Property Held for Future Use		
105	Construction Work in Progress	None	None
108	Accumulated Depreciation – Utility Plant	42,832.00	42,832.00
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$	$
	TOTAL ASSETS	**$**	**$**

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

COMPANY NAME	AZ Windsor Realty Water

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$	$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	$	$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$	$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	$	$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	$	$
	TOTAL LIABILITIES	$	$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$	$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	$	$
	TOTAL LIABILITIES AND CAPITAL	$ -0-	$ -0-

None

COMPANY NAME	A-2 Windsor Realty (Water)

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 12,980.00	$ 12,560.00
460	Unmetered Water Revenue	-0-	
474	Other Water Revenues	-0-	
	TOTAL REVENUES	$ 12,980.00	$ 12,560.00
	OPERATING EXPENSES		
601	Salaries and Wages	$	$
610	Purchased Water		
615	Purchased Power	3,255 00	3,295 00
618	Chemicals		
620	Repairs and Maintenance	8,842 00	9,400 00
621	Office Supplies and Expense		
630	Outside Services		
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes 52.74 and 727.12	649 48	779 86
409	Income Tax		
	TOTAL OPERATING EXPENSES	$ 12,746 48	$ 13,474 86
	OPERATING INCOME/(LOSS)	$ 233.52	$ -914.86
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	$	$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	$	$
	NET INCOME/(LOSS)	$ 233.52	-914.86

COMPANY NAME	172. Windsong Realty Water

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

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

Meter Deposit Balance at Test Year End $ -0-

Meter Deposits Refunded During the Test Year $ -0-

COMPANY NAME	A2 Windsor Realty Water

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
5 HP	20	64'	14''			1951

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5 HP	ONE		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40,000 GAL	ONE	1000 GAL	ONE

COMPANY NAME	AZ. Windsor Realty (Water

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

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

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	76
3/4	
1	
1 1/2	
2	ONE
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

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

TREATMENT EQUIPMENT:

Manually Treated Each Day

STRUCTURES:

OTHER:

COMPANY NAME:	A2 Windsor Water Realty

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	60	Apr. 250,000	
FEBRUARY	"	"	
MARCH	"	"	
APRIL	"	"	
MAY	"	"	
JUNE	"	"	
JULY	"	"	
AUGUST	"	"	
SEPTEMBER	"	"	
OCTOBER	"	"	
NOVEMBER	"	"	
DECEMBER	"	"	9
	TOTAL		0

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (X) No

If yes, provide the GPCPD amount:_____

What is the level of arsenic for each well on your system. 0.0032 **mg/l**
(If more than one well, please list each separately.)

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

COMPANY NAME A2. Windson Realty (Wat) **YEAR ENDING 12/31/2005**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: $ 779.86

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED
APR 17 2006
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	APACHE CO
NAME (OWNER OR OFFICIAL) TITLE	PAT PAULSELL
COMPANY NAME	AZ Windsong Realty (Water)

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	2005

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.

Pat Paulsell
SIGNATURE OF OWNER OR OFFICIAL

928 688.2467
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	Apache
MONTH April	,2006

THIS 17 **DAY OF** April

OFFICIAL SEAL
LINDA C. JONES
Notary Public State of Arizona
APACHE COUNTY
My Comm. Expires Sep. 1, 2006
(SEAL)

Linda C. Jones
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 9-1-06

COMPANY NAME Az. Windsong Realty (Water) **YEAR ENDING 12/31/2005**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	$ 12,560.00
Estimated or Actual Federal Tax Liability	-0-
State Taxable Income Reported	12,560.00
Estimated or Actual State Tax Liability	76.62

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	-0-
Amount of Gross-Up Tax Collected	-0-
Total Grossed-Up Contributions/Advances	-0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Pat Paulsell	04-14-06
SIGNATURE	**DATE**
Pat Paulsell	OWNER
PRINTED NAME	**TITLE**

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED
APR 17 2006
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF _____ COUNTY OF (COUNTY NAME): APACHE CO.

I, THE UNDERSIGNED NAME (OWNER OR OFFICIAL) TITLE: Pat Paulsell

OF THE COMPANY NAME: AZ. WINDSONG Realty - Water

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

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 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only ($)
$ -0-

(THE AMOUNT IN BOX ABOVE INCLUDES $ -0- 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

928 688-2463
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF COUNTY NAME: Apache

THIS _____ **DAY OF** MONTH: April ,20__

OFFICIAL SEAL
LINDA C. JONES
Notary Public State of Arizona
APACHE COUNTY
My Comm. Expires Sep. 1, 2006
(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 9-1-06

RECEIVED
APR 17 2006
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION AND SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) APACHE	
NAME (OWNER OR OFFICIAL) Pat Paulsell	TITLE Owner
COMPANY NAME Az. Windsong Realty (Water)	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

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 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
$ 12,560.00

(THE AMOUNT IN BOX AT LEFT INCLUDES $ -0- IN SALES TAXES BILLED, OR COLLECTED)

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

Pat Paulsell
SIGNATURE OF OWNER OR OFFICIAL

928 688.2467
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13th **DAY OF** April

NOTARY PUBLIC NAME Linda Jones	
COUNTY NAME Apache	
MONTH April	,2006

OFFICIAL SEAL
LINDA C. JONES
Notary Public State of Arizona
APACHE COUNTY
My Comm. Expires Sep 1, 2006

(SEAL)

MY COMMISSION EXPIRES 9-1-06

X Linda C. Jones
SIGNATURE OF NOTARY PUBLIC