# ARIZONA CORPORATION COMMISSION
# UTILITIES DIVISION

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

M

W-01877A
Mountain Dell Water, Inc.
1341 W. Palmer Ave.
Flagstaff, AZ 86001

RECEIVED

MAR 2 0 2006

Z Corporation Commissic
Director of Utilities

# ANNUAL REPORT

## FOR YEAR ENDING

| 12 | 31 | 2005 |
|---|---|---|

FOR COMMISSION USE

| ANN04 | 05 |
|---|---|

entered
3-22-06 RF

## COMPANY INFORMATION

**Company Name (Business Name)** Mountain Dell Water, Inc.

Mailing Address 1492 PALMER
(Street)

FLAGSTAFF, AZ 86001
(City) (State) (Zip)

928 - 774-9550
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

Local Office Mailing Address
(Street)

(City) (State) (Zip)

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

Email Address

## MANAGEMENT INFORMATION

**Management Contact:** Peter Reznick President
(Name) (Title)

1500 Palmer Flagstaff, AZ 86001
(Street) (City) (State) (Zip)

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

Email Address Peterreznick@msn.com

**On Site Manager:** SAME
(Name)

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

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

Email Address

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

**Statutory Agent:** Same
(Name)

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

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

**Attorney:** _____
(Name)

(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)**
- ☐ **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** | | |

COMPANY NAME Mountain Dell Water, 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 | 1000 | 986 | 14 |
| 307 | Wells and Springs | | | |
| 311 | Pumping Equipment | 21743 | 9987 | 11756 |
| 320 | Water Treatment Equipment | | | |
| 330 | Distribution Reservoirs and Standpipes | 14519 | 9742 | 4777 |
| 331 | Transmission and Distribution Mains | | | |
| 333 | Services | | | |
| 334 | Meters and Meter Installations | | | |
| 335 | Hydrants | | | |
| 336 | Backflow Prevention Devices | | | |
| 339 | Other Plant and Misc. Equipment | 52403 | 51409 | 994 |
| 340 | Office Furniture and Equipment | | | |
| 341 | Transportation Equipment | 5000 | 5000 | Ø |
| 343 | Tools, Shop and Garage Equipment | | | |
| 344 | Laboratory Equipment | | | |
| 345 | Power Operated Equipment | 16558 | 16558 | Ø |
| 346 | Communication Equipment | | | |
| 347 | Miscellaneous Equipment | 2000 | 2000 | Ø |
| 348 | Other Tangible Plant | 2971 | 2971 | Ø |
| | TOTALS | 111911 | 98510 | 17541 |

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

COMPANY NAME Mountain Dell Water, Inc.

## 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 | 21743 | 15 yr | 1752 |
| 320 | Water Treatment Equipment | | | |
| 330 | Distribution Reservoirs and Standpipes | 14519 | 5 yr | 1583 |
| 331 | Transmission and Distribution Mains | | | |
| 333 | Services | | | |
| 334 | Meters and Meter Installations | | | |
| 335 | Hydrants | | | |
| 336 | Backflow Prevention Devices | | | |
| 339 | Other Plant and Misc. Equipment | 52403 | 5 yr | 663 |
| 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** | 88665 | | 2998 |

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

| COMPANY NAME | Mountain Dell Water, Inc. |
|---|---|

# BALANCE SHEET

| Acct .No. | ASSETS | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|---|---|---|---|
| | | | |
| | **CURRENT AND ACCRUED ASSETS** | | |
| 131 | Cash | $ 7499 | $ 11893 |
| 134 | Working Funds | | |
| 135 | Temporary Cash Investments | | |
| 141 | Customer Accounts Receivable | | |
| 146 | Notes/Receivables from Associated Companies | | |
| 151 | Plant Material and Supplies | | |
| 162 | Prepayments | | |
| 174 | Miscellaneous Current and Accrued Assets | | |
| | **TOTAL CURRENT AND ACCRUED ASSETS** | $ 7499 | $ 11893 |
| | | | |
| | **FIXED ASSETS** | | |
| 101 | Utility Plant in Service | $ 144807 | $ 111911 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work in Progress | | |
| 108 | Accumulated Depreciation – Utility Plant | 100268 | 98510 |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation – Non Utility | | |
| | **TOTAL FIXED ASSETS** | $ 44538 | $ 13401 |
| | | | |
| | **TOTAL ASSETS** | $ 52038 | $ 25294 |

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

COMPANY NAME Mountain Dell Water, Inc.

## 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 | 1295 | 1435 |
| 236 | Accrued Taxes | | |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | | |
| | **TOTAL CURRENT LIABILITIES** | $ 1295 | $ 1435 |
| | | | |
| | **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** | $ 1295 | $ 1435 |
| | | | |
| | **CAPITAL ACCOUNTS** | | |
| 201 | Common Stock Issued | $ 22000 | $ 22000 |
| 211 | Paid in Capital in Excess of Par Value | | |
| 215 | Retained Earnings | 28743 | 1859 |
| 218 | Proprietary Capital (Sole Props and Partnerships) | | |
| | **TOTAL CAPITAL** | $ 50743 | $ 23859 |
| | | | |
| | **TOTAL LIABILITIES AND CAPITAL** | $ 52038 | $ 25294 |

| COMPANY NAME | Mountain Dell Water, Inc. |
|---|---|

# COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR |
|---|---|---|---|
| 461 | Metered Water Revenue | $ 34335 | $ 38257 |
| 460 | Unmetered Water Revenue | | |
| 474 | Other Water Revenues | 510 | 540 |
| | **TOTAL REVENUES** | $ 34845 | $ 38797 |
| | | | |
| | **OPERATING EXPENSES** | | |
| 601 | Salaries and Wages | $ | $ |
| 610 | Purchased Water | | |
| 615 | Purchased Power | 6404 | 6158 |
| 618 | Chemicals | | |
| 620 | Repairs and Maintenance | 837 | 3117 |
| 621 | Office Supplies and Expense | 1791 | 3288 |
| 630 | Outside Services | 1075 | 1688 |
| 635 | Water Testing | 773 | 508 |
| 641 | Rents | 5400 | 7200 |
| 650 | Transportation Expenses | | |
| 657 | Insurance – General Liability | 4548 | 4390 |
| 659 | Insurance - Health and Life | | |
| 666 | Regulatory Commission Expense – Rate Case | | |
| 675 | Miscellaneous Expense | 246 | 201 |
| 403 | Depreciation Expense | 6666 | 2998 |
| 408 | Taxes Other Than Income | 2499 | 2462 |
| 408.11 | Property Taxes | 2308 | 1511 |
| 409 | Income Tax | | |
| | **TOTAL OPERATING EXPENSES** | $ 37552 | $ 33521 |
| | | | |
| | **OPERATING INCOME/(LOSS)** | $ 2293 | $ 5276 |
| | | | |
| | **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)** | $ 2293 | $ 5276 |

| COMPANY NAME | Mountain Dell Water, Inc. |
|---|---|

## 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 $ 1435

Meter Deposits Refunded During the Test Year $ 47

| COMPANY NAME | Mountain Dell Water, Inc. |
|---|---|

# WATER COMPANY PLANT DESCRIPTION

## WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (Inches) | Meter Size (inches) | Year Drilled |
|---|---|---|---|---|---|---|
| 55-802024 | 20 | 22 | | 10 | 2" | 1956 |
| 55-802025 | 15 | 17 | | 10 | 2" | 1975 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* 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 |
| 10 | 1 | | |
| 15 | 1 | | |
| | | | |
| | | | |

| STORAGE TANKS | | PRESSURE TANKS | |
|---|---|---|---|
| Capacity | Quantity | Capacity | Quantity |
| 10,000 | 4 | 2000 | 1 |
| | | | |
| | | | |
| | | | |

| COMPANY NAME | Mountain Dell Water, Inc. |
|---|---|

## WATER COMPANY PLANT DESCRIPTION (CONTINUED)

**MAINS**

| Size (in inches) | Material | Length (in feet) |
|---|---|---|
| 2 | Steel Pipe | 4000 |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 8 | | |
| 10 | | |
| 12 | | |
| | | |
| | | |
| | | |
| | | |
| | | |

**CUSTOMER METERS**

| Size (in inches) | Quantity |
|---|---|
| 5/8 X ¾ | 85 |
| 3/4 | |
| 1 | 1 |
| 1 1/2 | |
| 2 | |
| 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:

STRUCTURES: Pump house, Power house, Well houses

OTHER: Tanks, Pressure tank, Truck, Backhoe

| COMPANY NAME: | mountain Dell water, Inc. |
|---|---|

## WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

| MONTH | NUMBER OF CUSTOMERS | GALLONS SOLD | GALLON PUMPED (Thousands) |
|---|---|---|---|
| JANUARY | 86 | 429 | 429 |
| FEBRUARY | 86 | 350 | 350 |
| MARCH | 86 | 331 | 331 |
| APRIL | 86 | 281 | 281 |
| MAY | 86 | 367 | 367 |
| JUNE | 86 | 599 | 599 |
| JULY | 86 | 595 | 595 |
| AUGUST | 86 | 440 | 440 |
| SEPTEMBER | 86 | 463 | 463 |
| OCTOBER | 86 | 407 | 407 |
| NOVEMBER | 86 | 421 | 421 |
| DECEMBER | 86 | 374 | 374 |
| | TOTAL | 5057 | 5057 |

**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.** _ .003 #1 .004 #2 **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** Mountain Dell Water, Inc. **YEAR ENDING 12/31/2005**

## PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: $ 1511

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.

MOUNTAIN DELL WATER, INC 5206167 3599
DATE 10/19/05 (1,510.96)
PAY TO THE ORDER OF Coconino County Treasurer $ 1510.96
One thousand five hundred ten & 96/100 DOLLARS
FOR 917 50 100 5
⑈003599⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000151096⑈

Ck# 3599 Date 11/15/05 Amt $1,510.96

MOUNTAIN DELL WATER, INC 3604
DATE 11/3/05
PAY TO THE ORDER OF APS $ 488.01
Four hundred eighty-eight & 01/100 DOLLARS
FOR 1408402 85
⑈003604⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000048801⑈

Ck# 3604 Date 11/07/05 Amt $488.01

MOUNTAIN DELL WATER, INC 47346 3600
DATE 11/2/05
PAY TO THE ORDER OF Grand Rental $ 71.36
Seventy-one & 36/100 DOLLARS
FOR
⑈003600⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000007136⑈

Ck# 3600 Date 11/04/05 Amt $71.36

MOUNTAIN DELL WATER, INC 3605
DATE 11/3/05
PAY TO THE ORDER OF Unitel $ 5.76
Five & 76/100 DOLLARS
FOR
⑈003605⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000000576⑈

Ck# 3605 Date 11/09/05 Amt $5.76

MOUNTAIN DELL WATER, INC 3601
DATE 11/3/05
PAY TO THE ORDER OF Az Dept of Revenue $ 198.88
One hundred ninety-eight & 88/100 DOLLARS
FOR 860504181
⑈003601⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000019888⑈

Ck# 3601 Date 11/07/05 Amt $198.88

MOUNTAIN DELL WATER, INC 3606
DATE 11/10/05
PAY TO THE ORDER OF Lee Tanks $ 4020.-
Four thousand twenty & 00/100 DOLLARS
FOR
⑈003606⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000402000⑈

Ck# 3606 Date 11/16/05 Amt $4,020.00

MOUNTAIN DELL WATER, INC 3602
DATE 11/3/05
PAY TO THE ORDER OF Central Arizona Supply $ 210.59
Two hundred ten & 59/100 DOLLARS
FOR
⑈003602⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000021059⑈

Ck# 3602 Date 11/08/05 Amt $210.59

MOUNTAIN DELL WATER, INC 3607
DATE 11/10/05
PAY TO THE ORDER OF Thom Andrake $ 481.25
Four hundred eighty one & 25/100 DOLLARS
FOR
⑈003607⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000048125⑈

Ck# 3607 Date 11/15/05 Amt $481.25

MOUNTAIN DELL WATER, INC 3603
DATE 11/3/05
PAY TO THE ORDER OF Unisource Gas $ 18.35
Eighteen & 35/100 DOLLARS
FOR 1517283
⑈003603⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000001835⑈

Ck# 3603 Date 11/08/05 Amt $18.35

MOUNTAIN DELL WATER, INC 3608
DATE 11/16/05
PAY TO THE ORDER OF JBT Trucking $ 196.41
One hundred ninety-six & 41/100 DOLLARS
FOR 05303
⑈003608⑈ ⑆122105045⑆ 2201002801⑈ ⑈0000019641⑈

Ck# 3608 Date 11/29/05 Amt $196.41

# VERIFICATION
# AND
# SWORN STATEMENT
**Taxes**

RECEIVED
MAR 20 2006
Z Corporation Commissic
Director of Utilities

**VERIFICATION**

**STATE OF** Arizona

**I, THE UNDERSIGNED**

**OF THE**

| | |
|---|---|
| COUNTY OF (COUNTY NAME) | Coconino |
| NAME (OWNER OR OFFICIAL) TITLE | Peter Reznick - President |
| COMPANY NAME | Mountain Dell Water, Inc. |

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

**FOR THE YEAR ENDING**

| MONTH | DAY | YEAR |
|---|---|---|
| 12 | 31 | 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.**

Peter Reznick
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME** Cathy Seppanen

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF** Coconino

**THIS** 16th **DAY OF** March, 20 06

(SEAL)

Cathy Seppanen
SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES** July 31 2008

CATHY SEPPANEN
Notary Public - Arizona
Coconino County
My Commission Expires
July 31, 2008

**COMPANY NAME** Mountain Dell Water, Inc. **YEAR ENDING 12/31/2005**

## INCOME TAXES

For this reporting period, provide the following:

| | |
|---|---|
| Federal Taxable Income Reported | 5276 |
| Estimated or Actual Federal Tax Liability | Ø |
| State Taxable Income Reported | 5276 |
| Estimated or Actual State Tax Liability | Ø |

Amount of Grossed-Up Contributions/Advances:

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

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.

| | |
|---|---|
| Pete Reznick | 3/16/06 |
| **SIGNATURE** | **DATE** |
| Peter Reznick | President |
| **PRINTED NAME** | **TITLE** |

# VERIFICATION AND SWORN STATEMENT

**Intrastate Revenues Only**

RECEIVED

MAR 2 0 2006

Z Corporation Commissic
Director of Utilities

**VERIFICATION**

**STATE OF** Arizona

**I, THE UNDERSIGNED**

**OF THE**

| | |
|---|---|
| COUNTY OF (COUNTY NAME) | Coconino |
| NAME (OWNER OR OFFICIAL) TITLE | Peter Reznick President |
| COMPANY NAME | Mountain Dell Water, Inc. |

**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 ($) |
|---|
| $ 38797 |

**(THE AMOUNT IN BOX ABOVE INCLUDES $** 2462 **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)**

Peter Reznick

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

Cathy Seppanen

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF** Coconino

**THIS** 16th **DAY OF** March .2006

(SEAL)

Cathy Seppanen

SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES** July 31 2008

CATHY SEPPANEN
Notary Public - Arizona
Coconino County
My Commission Expires
July 31, 2008

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

RECEIVED
MAR 20 2006
Z Corporation Commissic
Director of Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

| | | | |
|---|---|---|---|
| COUNTY OF (COUNTY NAME) | Coconino | | |
| NAME (OWNER OR OFFICIAL) | Peter Reznick | TITLE | President |
| COMPANY NAME | mountain Dell water, Inc. | | |

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**FOR THE YEAR ENDING**

| MONTH | DAY | YEAR |
|---|---|---|
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**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**

**$** 38797

**(THE AMOUNT IN BOX AT LEFT INCLUDES $** 2462 **IN SALES TAXES BILLED, OR COLLECTED)**

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

Peter Reznick
SIGNATURE OF OWNER OR OFFICIAL

928 774-9550
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 16 **DAY OF**

| | | |
|---|---|---|
| NOTARY PUBLIC NAME | Cathy Seppanen | |
| COUNTY NAME | Coconino | |
| MONTH | March | ,20 06 |

CATHY SEPPANEN
Notary Public - Arizona
Coconino County
My Commission Expires
July 31, 2008

**MY COMMISSION EXPIRES**
July 31 2008

X Cathy Seppanen
SIGNATURE OF NOTARY PUBLIC