

ANNUAL REPORT

Of

Company Name:

Rillito Water Users Association PO Box 668

Mailing Address: Rillito AZ
85654

Docket No.: W-02003A

For the Year Ended:

12/31/25

RECEIVED BY EMAIL

4/9/2026, 5:52 PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:

Original Filing

Application Date:

4/10/2026

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Rillito Water Users Association
A Class Utility

For the Calendar Year Ended: 12/31/25

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership:

Counties Served:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Rillito Water Users Association

Important changes during the year	
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	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	Yes, AJ Cornelius is a the new board representative and there are also newly elected board members.

	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	Yes, there have been reports of high levels of PFAS reported by ADEQ/PDEQ.

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$1,750			\$1,750		\$1,750
302	Franchises				0		0
303	Land and Land Rights	1,000			1,000		1,000
304	Structures and Improvements	1,500			1,500	203	1,297
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	2,304			2,304	410	1,894
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	17,471			17,471	3,450	14,021
320	Water Treatment Equipment	179,692			179,692		179,692
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders	300			300		300
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks	16,621			16,621		16,621
330.2	Pressure Tanks				0		0
331	Transmission and Distribution Mains				0		0
333	Services	2,160			2,160	396	1,764
334	Meters and Meter Installations	13,674			13,674	2,565	11,109
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment	4,716			4,716		4,716
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment	661			661		661
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant				0		0
	Totals	\$241,849	\$0	\$0	\$241,849	\$7,024	\$234,825

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non- depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$1,750	\$0	\$0	\$1,750		\$1,750		\$0
302	Franchises	0	0	0	0		0		0
303	Land and Land Rights	1,000	0	0	1,000		1,000		0
304	Structures and Improvements	1,500	0	0	1,500		1,500		0
305	Collecting & Improving Reservoirs	0	0	0	0		0		0
306	Lake, River, Canal Intakes	0	0	0	0		0		0
307	Wells and Springs	2,304	0	0	2,304		2,304		0
308	Infiltration Galleries	0	0	0	0		0		0
309	Supply Mains	0	0	0	0		0		0
310	Power Generation Equipment	0	0	0	0		0		0
311	Pumping Equipment	17,471	0	0	17,471		17,471		0
320	Water Treatment Equipment	179,692	0	0	179,692		179,692		0
320.1	Water Treatment Plants	0	0	0	0		0		0
320.2	Solution Chemical Feeders	300	0	0	300		300		0
320.3	Point-of-Use Treatment Devices	0	0	0	0		0		0
330	Distribution Reservoirs and Standpipes	0	0	0	0		0		0
330.1	Storage Tanks	16,621	0	0	16,621		16,621		0
330.2	Pressure Tanks	0	0	0	0		0		0
331	Transmission and Distribution Mains	0	0	0	0		0		0
333	Services	2,160	0	0	2,160		2,160		0
334	Meters and Meter Installations	13,674	0	0	13,674		13,674		0
335	Hydrants	0	0	0	0		0		0
336	Backflow Prevention Devices	0	0	0	0		0		0
339	Other Plant and Misc. Equipment	0	0	0	0		0		0
340	Office Furniture and Equipment	4,716	0	0	4,716		4,716		0
340.1	Computer & Software	0	0	0	0		0		0
341	Transportation Equipment	0	0	0	0		0		0
342	Stores Equipment	0	0	0	0		0		0
343	Tools, Shop and Garage Equipment	0	0	0	0		0		0
344	Laboratory Equipment	0	0	0	0		0		0
345	Power Operated Equipment	0	0	0	0		0		0
346	Communication Equipment	661	0	0	661		661		0
347	Miscellaneous Equipment	0	0	0	0		0		0
348	Other Tangible Plant	0	0	0	0		0		0
	Subtotal	\$241,849	\$0	\$0	\$241,849	\$0	\$241,849		\$0

Contribution(s) in Aid of Construction (Gross)
Less: Non Amortizable Contribution(s)
Fully Amortized Contribution(s)
Amortizable Contribution(s)
Times: Proposed Amortization Rate
Amortization of CIAC

\$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Rillito Water Users Association
Annual Report
Balance Sheet Assets
12/31/25

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current and Accrued Assets			
131	Cash		\$145	\$794
134	Working Funds		300	11,903
135	Temporary Cash Investments		600	450
141	Customer Accounts Receivable			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$1,045	\$13,147
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$241,849	\$241,849
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*			(7,024)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$241,849	\$234,825
	Total Assets		\$242,894	\$247,972

*Note these items feed automatically from AR3 UPIS Page 4

Rillito Water Users Association
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current Liabilities			
231	Accounts Payable			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits			
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$0	\$0
	Long Term Debt			
224	Long Term Debt (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		\$0	\$0
	Total Liabilities		\$0	\$0
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings			
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$0	\$0
	Total Liabilities and Capital		\$0	\$0

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Rillito Water Users Association
Annual Report
Water Comparative Income Statement
12/31/25

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2025 - 12/31/2025	Last Year 01/01/2024 - 12/31/2024
	Operating Revenue		
461	Metered Water Revenue	\$11,903	\$300
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	\$11,903	\$300
	Operating Expenses		
601	Salaries and Wages	\$3,000	\$3,200
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	2,014	2,014
618	Chemicals	369	369
620	Materials and Supplies		
620.1	Repairs and Maintenance	800	800
620.2	Office Supplies and Expense	561	561
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting		
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	2,100	2,100
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability		
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense		
403	Depreciation Expense (From Schedule AR4)		
408	Taxes Other Than Income		
408.11	Property Taxes	825	825
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$9,669	\$9,869
	Operating Income / (Loss)	\$2,234	(\$9,569)
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	\$2,234	(\$9,569)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)				0.0
Meter reader				0.0
Customer Service				0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

Rillito Water Users Association
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/25

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 Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:	
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Meter Deposits Refunded During the Test Year:	
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<i>List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.</i>

[illegible]

Name of system water delivered to:	RILLITO WATER USERS INC		
ADWR PCC Number:	91-000436.0000		
Source of water delivered to another system			

Name of system water received from:	RILLITO WATER USERS INC		
ADWR PCC Number:	91-000436.0000		
Source of water received	Ground Water		
Well registry 55# (55-XXXXXX):	AZ0410098		

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	151,958.00					\$132	
February	167,835.00					132	
March	145,893.00					132	
April	245,286.00					132	
May	255,754.00					132	
June	311,620.00					218	
July	464,170.00					218	
August	469,746.00					218	
September	360,430.00					218	
October	291,250.00					218	
November	156,240.00					132	
December	179,427.00					132	
Totals	3,199,609.00	0.00	0.00	0.00	0.00	\$2,014	0

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

- | | |
|---|---|
| 1 | Water withdrawn - Total gallons of water withdrawn from pumped sources. |
| 2 | Water sold - Total gallons from customer meters, and other sales such as construction water. |
| 3 | Water delivered (sold) to other systems - Total gallons of water delivered to other systems. |
| 4 | Water received (purchased) from other systems - Total gallons of water purchased/received from other systems. |
| 5 | Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft. |
| 6 | Enter the total purchased power costs for the power meters associated with this system. |
| 7 | Enter the total purchased kWh used by the power meters associated with this system. |

Water Utility Plant Description

Name of the System:	RILLITO WATER USERS INC		
ADEQ Public Water System Number:	AZ0410098		
ADWR PCC Number:	91-000436.0000		

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

Material	Percent of system	Year installed

BOOSTER PUMPS

Horsepower	GPM	Quantity
3		2

FIRE HYDRANTS

Type	Quantity
Standard *	0
Other	0

STORAGE TANKS

Capacity (gallons)	Material	Quantity	Year installed
20,000		1	

PRESSURE/BLADDER TANKS

Capacity (gallons)	Material	Quantity	Year installed
5,000		1	

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	
STRUCTURES:	
OTHER:	

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	
Method used:	

Customer and Other Information	
Name of the System:	RILLITO WATER USERS INC
ADEQ Public Water System Number:	AZ0410098
ADWR PCC Number:	91-000436.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	55				
February	55				
March	55				
April	55				
May	55				
June	55				
July	55				
August	55				
September	55				
October	55				
November	60				
December	60				

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

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

If yes, provide the GPCPD amount:

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

If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

* an ERC is based on the calculation on the bottom of AR9 page 12.

Rillito Water Users Association
Annual Report
Utility Shutoffs / Disconnects
12/31/25

Utility Shutoffs / Disconnects	
Name of the System:	RILLITO WATER USERS INC
ADEQ Public Water System Number:	AZ0410098
ADWR PCC Number:	91-000436.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	0	0	0

Other (description):

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2025 was
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\$825

If no property taxes paid, explain why.

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Certification (Taxes)

Verification: State of Arizona I, the undersigned of the
(state name)

County of (county name):

Pima

Name (owner or official) title:

AJ Cornelius

Company name:

Rillito Water Users Association

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

FOR THE YEAR ENDING:

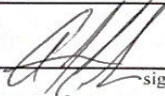
12/31/25

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.

Certification:

I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I CERTIFY THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



signature of owner/official

520-730-7219

telephone no.