

ANNUAL REPORT

Of

Company Name:

Rose Valley Water Company 250 SW Taylor Street

Mailing Address: Portland OR
 97204

RECEIVED BY EMAIL
5/05/2026, 2:40 AM
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Docket No.: W-01539A
For the Year Ended:

12/31/25

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:

5/5/2026

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Rose Valley Water Company
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:

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?
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	If yes, please provide specific details in the box below.
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	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
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	If yes, please provide specific details in the box below.
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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	\$0		\$0	\$0		\$0
302	Franchises	0		0	0		0
303	Land and Land Rights	0		0	0		0
304	Structures and Improvements	17,244	73,205	22,997	67,452	26,485	40,967
305	Collecting & Improving Reservoirs	0			0		0
306	Lake, River, Canal Intakes	0			0		0
307	Wells and Springs	269,716	845		270,561	89,775	180,786
308	Infiltration Galleries	0			0		0
309	Supply Mains	0			0		0
310	Power Generation Equipment	0			0		0
311	Pumping Equipment	541,513	33,019		574,532	414,654	159,878
320	Water Treatment Equipment	31,400			31,400	31,400	0
320.1	Water Treatment Plants	85,000	46,824		131,824	81,524	50,300
320.2	Solution Chemical Feeders	0			0		0
320.3	Point-of-Use Treatment Devices	0			0		0
330	Distribution Reservoirs and Standpipes	220,599		220,599	0		0
330.1	Storage Tanks	350,249	18,314		368,563	338,022	30,541
330.2	Pressure Tanks	0	223,107		223,107	49,949	173,158
331	Transmission and Distribution Mains	2,001,390	3,056		2,004,446	1,884,421	120,025
333	Services	760,928	0		760,928	646,427	114,501
334	Meters and Meter Installations	1,310,197	6,234		1,316,431	463,303	853,128
335	Hydrants	259,750			259,750	238,757	20,993
336	Backflow Prevention Devices	1,000			1,000	1,000	0
339	Other Plant and Misc. Equipment	0			0		0
340	Office Furniture and Equipment	68,118	104,487		172,605	51,848	120,757
340.1	Computer & Software	312,220	0	33,704	278,516	85,446	193,070
341	Transportation Equipment	60,201			60,201	30,368	29,833
342	Stores Equipment	0			0		0
343	Tools, Shop and Garage Equipment	0			0		0
344	Laboratory Equipment	0			0		0
345	Power Operated Equipment	5,144			5,144	1,156	3,988
346	Communication Equipment	4,144	109,872		114,016	2,870	111,146
347	Miscellaneous Equipment	17,313	25,480		42,793	7,054	35,739
348	Other Tangible Plant	0	12,609		12,610	533	12,077
	Totals	\$6,316,126	\$657,052	\$277,300	\$6,695,879	\$4,444,992	\$2,250,887

Rose Valley Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/25

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	\$0	\$0	\$0	\$0		\$0	0.00%	\$0
302	Franchises	0	0	0	0		0	0.00%	0
303	Land and Land Rights	0	0	0	0		0	0.00%	0
304	Structures and Improvements	17,244	73,205	22,997	67,452	24,088	43,364	3.33%	608
305	Collecting & Improving Reservoirs	0	0	0	0		0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0		0	0.00%	0
307	Wells and Springs	269,716	845	0	270,561	68,854	201,707	3.33%	6,703
308	Infiltration Galleries	0	0	0	0		0	0.00%	0
309	Supply Mains	0	0	0	0		0	0.00%	0
310	Power Generation Equipment	0	0	0	0		0	0.00%	0
311	Pumping Equipment	541,513	33,019	0	574,532	63,576	510,956	6.67%	32,980
320	Water Treatment Equipment	31,400	0	0	31,400	31,174	226	3.33%	8
320.1	Water Treatment Plants	85,000	46,824	0	131,824	75,040	56,784	3.33%	1,111
320.2	Solution Chemical Feeders	0	0	0	0		0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0		0	0.00%	0
330	Distribution Reservoirs and Standpipes	220,599	0	220,599	0		0	0.00%	0
330.1	Storage Tanks	350,249	18,314	0	368,563	272,962	95,601	33.00%	28,527
330.2	Pressure Tanks	0	223,107	0	223,107	39,772	183,335	5.00%	3,589
331	Transmission and Distribution Mains	2,001,390	3,056	0	2,004,446	53,904	1,950,542	1.69%	32,938
333	Services	760,928	0	0	760,928	33,956	726,972	3.33%	24,208
334	Meters and Meter Installations	1,310,197	6,234	0	1,316,431	210,639	1,105,792	5.54%	61,088
335	Hydrants	259,750	0	0	259,750	233,562	26,188	2.00%	524
336	Backflow Prevention Devices	1,000	0	0	1,000	1,000	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0		0	0.00%	0
340	Office Furniture and Equipment	68,118	104,487	0	172,605	7,517	165,088	6.67%	7,527
340.1	Computer & Software	312,220	0	33,704	278,516	15,273	263,243	20.00%	56,019
341	Transportation Equipment	60,201	0	0	60,201	10,326	49,875	12.50%	6,234
342	Stores Equipment	0	0	0	0		0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0		0	0.00%	0
344	Laboratory Equipment	0	0	0	0		0	0.00%	0
345	Power Operated Equipment	5,144	0	0	5,144	562	4,582	5.00%	229
346	Communication Equipment	4,144	109,872	0	114,016	1,482	112,534	10.00%	5,760
347	Miscellaneous Equipment	17,313	25,480	0	42,793	1,128	41,665	10.00%	2,893
348	Other Tangible Plant	0	12,609	0	12,610		12,610	5.00%	315
	Subtotal	\$6,316,126	\$657,052	\$277,300	\$6,695,879	\$1,144,815	\$5,551,064		\$271,260

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

4.89%

\$0

Less: Amortization of CIAC **\$73,361**

DEPRECIATION EXPENSE **\$197,899**

Rose Valley Water Company
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		\$977,491	\$65,358
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		191,239	139,227
146	Notes Receivable from Associated Companies			3,766
151	Plant Material and Supplies		45,948	29,822
162	Prepayments		71,031	117,199
174	Miscellaneous Current and Accrued Assets		7,536,292	6,894,628
	Total Current and Accrued Assets		\$8,822,001	\$7,250,000
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$6,316,126	\$6,695,879
103	Property Held for Future Use			
105	Construction Work in Progress		23,974	158,441
108	Accumulated Depreciation (enter as negative)*		(4,156,387)	(4,444,992)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$2,183,713	\$2,409,328
	Total Assets		\$11,005,714	\$9,659,328

*Note these items feed automatically from AR3 UPIS Page 4

Rose Valley Water Company
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		\$63,500	\$86,557
232	Notes Payable (Current Portion)		125,648	0
234	Notes Payable to Associated Companies		1,176,995	846,745
235	Customer Deposits		133,545	89,600
236	Accrued Taxes		16,262	47,257
237	Accrued Interest		6,604	0
242	Miscellaneous Current and Accrued Liabilities		21,594	27,718
	Total Current Liabilities		\$1,544,148	\$1,097,877
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$1,215,181	\$0
	Deferred Credits			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction		13,067	13,067
255	Accumulated Deferred Investment Tax Credits			
271	Contributions in Aid of Construction		2,307,215	2,307,218
272	Less: Amortization of Contributions		(1,471,169)	(1,561,734)
281	Accumulated Deferred Income Tax		(284,523)	(208,908)
	Total Deferred Credits		\$564,590	\$549,643
	Total Liabilities		\$3,323,919	\$1,647,520
	Capital Accounts			
201	Common Stock Issued		\$7,154,275	\$7,154,275
211	Other Paid-In Capital		0	
215	Retained Earnings		527,520	857,533
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$7,681,795	\$8,011,808
	Total Liabilities and Capital		\$11,005,714	\$9,659,328

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

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	\$1,306,075	\$1,734,614
460	Unmetered Water Revenue	408,293	
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues	1,020	3,883
474	Other Water Revenue	29,017	6,436
	Total Revenues	\$1,744,405	\$1,744,933
	Operating Expenses		
601	Salaries and Wages	\$250,636	\$307,260
604	Employee Pensions and Benefits	59,305	17,947
610	Purchased Water		49,521
615	Purchased Power	235,180	221,070
618	Chemicals	23,348	40,335
620	Materials and Supplies	33,866	0
620.1	Repairs and Maintenance	10,458	32,792
620.2	Office Supplies and Expense	22,850	41,059
630	Contractual Services	12,169	0
631	Contractual Services - Engineering		0
632	Contractual Services - Accounting	14,851	73,138
633	Contractual Services - Legal		0
634	Contractual Services - Management Fees		0
635	Contractual Services - Water Testing		2,660
636	Contractual Services - Other	18,369	58,261
640	Rents	387	6,264
641	Rental of Building/Real Property		0
642	Rental of Equipment		3,650
650	Transportation Expenses	10,269	16,011
657	Insurance - General Liability	22,662	3,660
657.1	Insurance - Health and Life		18,730
665	Regulatory Commission Expense - Rate	56,359	0
670	Bad Debt Expense	499	115,811
675	Miscellaneous Expense	262,511	79,809
403	Depreciation Expense (From Schedule AR4)	197,899	196,901
408	Taxes Other Than Income	20,435	24,988
408.11	Property Taxes	43,950	33,055
409	Income Taxes	129,201	136,267
427.1	Customer Security Deposit Interest	247	
	Total Operating Expenses	\$1,425,451	\$1,479,189
	Operating Income / (Loss)	\$318,954	\$265,744
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)	11,059	
	Total Other Income / (Expense)	\$11,059	\$0
	Net Income / (Loss)	\$330,013	\$265,744

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President			1.0	1.0
Vice-president				0.0
Manager	0.5			0.5
Engineering Staff				0.0
System Operator(s)	2.0			2.0
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	2.5	0.0	1.0	3.5

Rose Valley Water Company
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>
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[illegible]

Name of system water delivered to:	
ADWR PCC Number:	
Source of water delivered to another system	

Name of system water received from:	
ADWR PCC Number:	
Source of water received	
Well registry 55# (55-XXXXXX):	

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	31,515,000.00	28,793,640.00				\$17,053	135,000
February	29,302,000.00	30,379,550.00				15,108	116,440
March	31,755,000.00	24,028,680.00				15,702	118,800
April	37,959,000.00	24,992,250.00				16,839	129,520
May	37,225,000.00	28,452,920.00				18,786	147,000
June	42,905,000.00	32,320,410.00				22,241	173,440
July	50,127,000.00	43,685,820.00				21,117	179,040
August	52,239,000.00	46,446,510.00				23,961	203,640
September	39,989,000.00	44,395,140.00				28,306	234,280
October	33,230,000.00	47,714,140.00				21,386	166,040
November	32,384,000.00	37,608,190.00				19,244	150,000
December	28,196,000.00	33,712,660.00				19,201	148,840
Totals	446,826,000.00	422,529,910.00	0.00	0.00	0.00	\$238,946	1,902,040

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:	0		
ADEQ Public Water System Number:			
ADWR PCC Number:			

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	Filed plan as COP
3.00	PVC	Filed plan as COP
4.00	PVC	Filed plan as COP
6.00	PVC C900	Filed plan as COP
8.00	PVC C900	Filed plan as COP
12.00	PVC C900	Filed plan as COP
14.00	PVC C900	Filed plan as COP

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	2,048		
0.75	75		
1	244		
2	40		

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	90%	Various	
Copper	10%	Various	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
10	200	4	
125	2,000	2	

FIRE HYDRANTS	
Type	Quantity
Standard *	245
Other	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
400,000	Steel	3	1999

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	Steel	1	1999

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

TREATMENT EQUIPMENT:	Chlorine Liquid Injection at two well sites, two 700-gal tanks at two sites, two chlorine analyzers, and 3 new mag meters
STRUCTURES:	three 400,000-gal steel storage tanks. one SCADA Conex storage units
OTHER:	3 company trucks, 1 Backhoe, 1 new mini excavator.

Customer and Other Information		
Name of the System:	0	
ADEQ Public Water System Number:		
ADWR PCC Number:		

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	2,320	NA	23	46	6
February	2,301	NA	23	46	6
March	2,320	NA	23	46	6
April	2,320	NA	23	46	6
May	2,320	NA	23	46	6
June	2,320	NA	23	46	6
July	2,320	NA	23	46	6
August	2,315	NA	23	46	6
September	2,320	NA	23	46	6
October	2,317	NA	23	46	6
November	2,320	NA	23	46	6
December	2,320	NA	23	46	6

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?

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

Rose Valley Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/25

Utility Shutoffs / Disconnects	
Name of the System:	0
ADEQ Public Water System Number:	
ADWR PCC Number:	

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	NA	40	NA
February	NA	20	NA
March	NA	25	NA
April	NA	26	NA
May	NA	18	NA
June	NA	24	NA
July	NA	24	NA
August	NA	21	NA
September	NA	18	NA
October	NA	25	NA
November	NA	22	NA
December	NA	0	NA
Total	0	263	0

Other (description):

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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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\$27,711

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): Yuma
Name (owner or official) title: Ed Fortner Southwest Regional Manager
Company name: Rose Valley Water Company

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.

Ed Fortner
signature of owner/official
928-342-3344
telephone no.