

ANNUAL REPORT

Of

Company Name: Humboldt Water System, Inc.
PO Box 938

Mailing Address: Mayer AZ
86333

RECEIVED BY EMAIL

5/14/2026, 11:54 AM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

Docket No.: W-02197A
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: 5/13/2026

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Humboldt Water System, Inc.
A Class ☐ D ☒ Utility

For the Calendar Year Ended: 12/31/25

Primary Address:

PO Box 938
City: Mayer State: Arizona Zip Code: 86333

Telephone Number:

(928) 925-4837

Date of Original Organization of Utility:

3/17/1988

Person to whom correspondence should be addressed concerning this report:

Name:

Sonn S Ahlbrecht

Telephone No. :

(602) 275-1710

Address:

PO Box 50793
City: Phoenix State: Arizona Zip Code: 85076

Email:

sonncpa@gmail.com

Owner

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Name:

Stuart McLean

Telephone No. :

(928) 925-4837

Address:

PO Box 938
City: Mayer State: Arizona Zip Code: 86333

Email:

stuart@azutility.com

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Name:

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Telephone No. :

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Address:

City: State: Zip Code:

Email:

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Ownership:

"S" Corporation

Counties Served:

Yavapai

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Humboldt Water System, Inc.

Important changes during the year
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No	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.
	N/A

No	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.
	N/A

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	\$2,378	\$0	\$0	\$2,378	\$0	\$2,378
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	6,650	0	0	6,650	0	6,650
304	Structures and Improvements	11,991	0	0	11,991	8,902	3,089
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	39,228	0	0	39,228	24,553	14,675
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	79,092	0	0	79,092	79,092	0
311	Pumping Equipment	69,162	0	0	69,162	62,287	6,875
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	302,592	0	0	302,592	105,660	196,932
320.2	Solution Chemical Feeders	2,087	0	0	2,087	2,087	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	26,500	0	0	26,500	25,634	866
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	282,954	8,345	0	291,299	152,043	139,256
333	Services	170,333	0	0	170,333	103,065	67,268
334	Meters and Meter Installations	49,709	5,524	0	55,233	31,379	23,854
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	0	0	0	0	0	0
340.1	Computer & Software	1,495	0	0	1,495	1,047	448
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	1,749	0	0	1,749	743	1,006
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	1,500	33,300	0	34,800	1,395	33,405
346	Communication Equipment	2,719	0	0	2,719	1,662	1,057
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,050,139	\$47,169	\$0	\$1,097,308	\$599,549	\$497,759

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	\$2,378	\$0	\$0	\$2,378	\$2,378	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	6,650	0	0	6,650	6,650	0	0.00%	0
304	Structures and Improvements	11,991	0	0	11,991	1,671	10,320	3.33%	344
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	39,228	0	0	39,228	14,158	25,070	3.33%	835
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	79,092	0	0	79,092	0	79,092	6.67%	5,020
311	Pumping Equipment	69,162	0	0	69,162	56,251	12,911	12.50%	1,614
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	302,592	0	0	302,592	0	302,592	3.33%	10,076
320.2	Solution Chemical Feeders	2,087	0	0	2,087	2,087	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	26,500	0	0	26,500	0	26,500	2.22%	588
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	282,954	8,345	0	291,299	127,794	163,505	2.00%	3,187
333	Services	170,333	0	0	170,333	49,131	121,202	3.33%	4,036
334	Meters and Meter Installations	49,709	5,524	0	55,233	16,568	38,665	8.33%	2,991
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	1,495	0	0	1,495	0	1,495	20.00%	299
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	1,749	0	0	1,749	0	1,749	5.00%	87
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	1,500	33,300	0	34,800	0	34,800	5.00%	908
346	Communication Equipment	2,719	0	0	2,719	0	2,719	10.00%	272
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$1,050,139	\$47,169	\$0	\$1,097,308	\$276,688	\$820,620		\$30,257

Contribution(s) in Aid of Construction (Gross)	\$244,264
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$244,264
Times: Proposed Amortization Rate	various
Amortization of CIAC	\$7,985
Less: Amortization of CIAC	\$7,985
DEPRECIATION EXPENSE	\$22,272

Humboldt Water System, Inc.
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		\$29,485	\$10,882
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		(3,277)	(139)
146	Notes Receivable from Associated Companies		0	15,998
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		12,774	16,116
	Total Current and Accrued Assets		\$38,982	\$42,857
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,050,139	\$1,097,308
103	Property Held for Future Use		0	0
105	Construction Work in Progress		13,140	243,688
108	Accumulated Depreciation (enter as negative)*		(569,292)	(599,549)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$493,987	\$741,447
	Total Assets		\$532,969	\$784,304

*Note these items feed automatically from AR3 UPIS Page 4

Humboldt Water System, Inc.
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		\$1,553	\$3,020
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		4,000	0
235	Customer Deposits		35,812	28,930
236	Accrued Taxes		1,675	1,756
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	95
	Total Current Liabilities		\$43,040	\$33,801
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$101,640	\$318,015
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		28,734	28,693
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		244,264	244,264
272	Less: Amortization of Contributions		(110,781)	(118,766)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$162,217	\$154,191
	Total Liabilities		\$306,897	\$506,007
	Capital Accounts			
201	Common Stock Issued		\$2,013	\$2,013
211	Other Paid-In Capital		13,950	13,950
215	Retained Earnings		210,109	262,334
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$226,072	\$278,297
	Total Liabilities and Capital		\$532,969	\$784,304

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	\$253,833	\$248,099
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	26,805	6,683
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	8,378	7,515
	Total Revenues	\$289,016	\$262,297
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	12,265	12,785
618	Chemicals	2,755	3,027
620	Materials and Supplies	4,398	39,663
620.1	Repairs and Maintenance	38,565	43,660
620.2	Office Supplies and Expense	4,743	11,564
630	Contractual Services	36,947	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	7,134	23,658
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	60,535	53,343
635	Contractual Services - Water Testing	5,681	7,181
636	Contractual Services - Other	8,550	3,586
640	Rents	0	0
641	Rental of Building/Real Property	8,400	8,400
642	Rental of Equipment	0	0
650	Transportation Expenses	11,900	0
657	Insurance - General Liability	6,005	5,567
657.1	Insurance - Health and Life	0	1,195
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	1,796	423
403	Depreciation Expense (From Schedule AR4)	22,272	20,372
408	Taxes Other Than Income	0	0
408.11	Property Taxes	7,703	8,159
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	256	275
	Total Operating Expenses	\$239,905	\$242,858
	Operating Income / (Loss)	\$49,111	\$19,439
	Other Income / (Expense)		
419	Interest and Dividend Income	\$4	\$2
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(3,567)	(3,889)
	Total Other Income / (Expense)	(\$3,563)	(\$3,887)
	Net Income / (Loss)	\$45,548	\$15,552

Humboldt Water System, Inc.
Annual Report
Full time equivalent employees
12/31/25

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.0	0.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.5	0.5
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.5	0.5
Meter reader	0.0	0.0	0.5	0.5
Customer Service	0.0	0.0	0.5	0.5
Accounting	0.0	0.0	0.5	0.5
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	0.0	0.0	2.5	2.5

Humboldt Water System, Inc.
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	5/30/2014	10/29/2024	N/A	N/A
Source of Loan	WIFA	WIFA	N/A	N/A
ACC Decision No.	79368	79200	N/A	N/A
Reason for Loan	Arsenic Trmt	System Improvements	N/A	N/A
Dollar Amt. Issued	\$301,528	\$699,694	N/A	N/A
Amount Outstanding	\$80,672	\$237,342	N/A	N/A
Date of Maturity	5/1/2034	10/1/2044	N/A	N/A
Interest Rate	4.20%	4.50%	N/A	N/A
Current Year Interest	\$3,567	\$0	N/A	N/A
Current Year Principal	\$7,828	\$6,346	N/A	N/A

Meter Deposit Balance at Test Year End:	\$28,693
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Meter Deposits Refunded During the Test Year:	\$2,031
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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 not be listed. Input 0 or none if there is nothing to report for that cell.

Well and Water Usage

[illegible]

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

Name of system water received from:	
ADWR PCC Number:	N/A
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 Expense6	Purchased Power (kWh)7
January	1,793,766.00	1,704,272.00	0.00	0.00	0.00	\$959	6,402
February	1,493,766.00	1,387,233.00	0.00	0.00	0.00	910	6,181
March	1,862,744.00	1,609,888.00	0.00	0.00	0.00	851	5,624
April	1,989,346.00	1,686,838.00	0.00	0.00	0.00	914	6,082
May	2,229,396.00	1,834,779.00	0.00	0.00	0.00	1,104	7,588
June	2,517,302.00	2,561,200.00	0.00	0.00	0.00	1,142	7,808
July	2,620,134.00	2,439,241.00	0.00	0.00	0.00	1,197	10,306
August	2,708,110.00	2,676,126.00	0.00	0.00	0.00	1,143	9,877
September	2,278,021.00	2,163,408.00	0.00	0.00	0.00	1,146	7,908
October	2,434,568.00	2,101,971.00	0.00	0.00	0.00	1,004	6,757
November	1,790,855.00	1,514,785.00	0.00	0.00	0.00	976	6,552
December	1,539,866.00	1,426,532.00	0.00	0.00	0.00	919	6,032
Totals	25,257,874.00	23,106,273.00	0.00	0.00	0.00	\$12,265	87,117

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

	N/A
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- | | |
|---|---|
| 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:	HUMBOLDT WATER CO		
ADEQ Public Water System Number:	AZ0413052		
ADWR PCC Number:	91-000639.0000		

MAINS

[illegible]

CUSTOMER METERS

[illegible]

SERVICE LINES

SERVICE LINES		
Material	Percent of system	Year installed
Galvanized steel	20%	1975
Blue poly	10%	1990
Black poly	70%	2010-20

BOOSTER PUMPS

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10	150	3

FIRE HYDRANTS

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
65,000	Steel	1	1999

PRESSURE/BLADDER TANKS

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
55	Steel	1	2016

* 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:	Arsenic treatment and RO plants, chlorinator
STRUCTURES:	8' x 8' wood frame pump house with 6' slatted chain link security fencing enclosing the area and equipped with security wire
OTHER:	15 kW solar generating system

Customer and Other Information		
Name of the System:	HUMBOLDT WATER CO	
ADEQ Public Water System Number:	AZ0413052	
ADWR PCC Number:	91-000639.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	362	1	25	2	5
February	362	1	25	2	5
March	359	1	25	2	5
April	361	1	25	2	5
May	362	1	25	2	5
June	363	1	25	2	5
July	366	1	25	2	5
August	363	1	25	2	5
September	363	1	25	2	5
October	367	1	25	2	5
November	366	1	25	2	5
December	367	1	25	2	5

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.

Hunboldt is still working on the storage tank and new meter installations with the proceeds of the WIFA loan. Water

Humboldt Water System, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/25

Utility Shutoffs / Disconnects	
Name of the System:	HUMBOLDT WATER CO
ADEQ Public Water System Number:	AZ0413052
ADWR PCC Number:	91-000639.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	6	0
February	0	3	0
March	0	0	0
April	0	2	0
May	0	2	0
June	0	0	0
July	0	17	0
August	0	7	0
September	0	0	0
October	0	15	0
November	0	0	0
December	0	1	0
Total	0	53	0

Other (description):

N/A

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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\$7,703

If no property taxes paid, explain why.

N/A

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): Yavapai
Name (owner or official) title: Stuart McLean, President
Company name: Humboldt Water System, Inc.

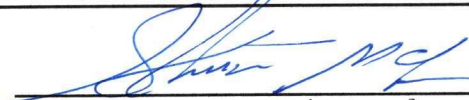
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

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

(928) 925-4837

telephone no.