

ANNUAL REPORT

Of

Company Name: Southland Utilities Company, Inc.

PO Box 85160

Mailing Address:

Tucson

AZ

85754

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07/02/2025, 1:017PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

Docket No.: W-02062A

For the Year Ended: 12/31/24

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: 7/2/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Southland Utilities Company, Inc.
A Class ☐ Utility

For the Calendar Year Ended: 12/31/24

Primary Address:

PO BOX 85160

City:

TUCSON

 State:

Arizona

 Zip Code:

85754

Telephone Number:

520-623-5172

Date of Original Organization of Utility:

3/21/1973

Person to whom correspondence should be addressed concerning this report:

Name:

GARY WENE

Telephone No. :

520-623-5172

Address:

PO BOX 85160

City:

TUCSON

 State:

Arizona

 Zip Code:

85754

Email:

GWENE@SOUTHWESTERNUTILITY.COM

na

Name:

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Telephone No. :

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Address:

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City:

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 State:

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 Zip Code:

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Name:

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Telephone No. :

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Name:

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Telephone No. :

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Address:

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City:

na

 State:

na

 Zip Code:

na

Email:

na

Ownership:

"C" Corporation

Counties Served:

Cochise

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Southland Utilities Company, Inc.

Important changes during the year

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	\$0	\$0	\$0	\$0		\$0
302	Franchises	0	0	0	0		0
303	Land and Land Rights	1,070	0	0	1,070		1,070
304	Structures and Improvements	59,357	0		59,357	(22,461)	81,817
305	Collecting & Improving Reservoirs			0	0		0
306	Lake, River, Canal Intakes			0	0		0
307	Wells and Springs	60,477	3,724	0	64,200	(34,999)	99,199
308	Infiltration Galleries			0	0		0
309	Supply Mains			0	0		0
310	Power Generation Equipment			0	0		0
311	Pumping Equipment	492,550	101,744	0	594,294	(481,265)	1,075,559
320	Water Treatment Equipment			0	0	(6,588)	6,588
320.1	Water Treatment Plants	6,560	0	0	6,560		6,560
320.2	Solution Chemical Feeders	4,732	650	0	5,382		5,382
320.3	Point-of-Use Treatment Devices			0	0		0
330	Distribution Reservoirs and Standpipes	0	0	0	0		0
330.1	Storage Tanks	655,178	5,410	0	660,588	(230,733)	891,321
330.2	Pressure Tanks			0	0		0
331	Transmission and Distribution Mains	253,632	10,722	0	264,354	(21,663,784)	21,928,138
333	Services	57,608	20,723	0	78,331	(41,538)	119,870
334	Meters and Meter Installations	139,393	1,752	0	141,146	(93,810)	234,955
335	Hydrants	153,743	0	0	153,743	(26,136)	179,879
336	Backflow Prevention Devices	0	0	0	0		0
339	Other Plant and Misc. Equipment	0	668	0	668		668
340	Office Furniture and Equipment	0	0	0	0	292	(292)
340.1	Computer & Software			0	0		0
341	Transportation Equipment	57,919	0	0	57,919	(3,889)	61,808
342	Stores Equipment			0	0		0
343	Tools, Shop and Garage Equipment	0	0	0	0		0
344	Laboratory Equipment			0	0		0
345	Power Operated Equipment			0	0		0
346	Communication Equipment	9,972	7,846	0	17,818	(7,369)	25,188
347	Miscellaneous Equipment	9,683	0	0	9,683	(8,507)	18,190
348	Other Tangible Plant			0	0		0
	Totals	\$1,961,872	\$153,239	\$0	\$2,115,111	(\$22,620,787)	\$24,735,899

Southland Utilities Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/24

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	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	1,070	0	0	1,070		1,070		0
304	Structures and Improvements	59,357	0	0	59,357		59,357		0
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	60,477	3,724	0	64,200		64,200		0
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	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	492,550	101,744	0	594,294		594,294		0
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	6,560	0	0	6,560		6,560		0
320.2	Solution Chemical Feeders	4,732	650	0	5,382		5,382		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	655,178	5,410	0	660,588		660,588		0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	253,632	10,722	0	264,354		264,354		0
333	Services	57,608	20,723	0	78,331		78,331		0
334	Meters and Meter Installations	139,393	1,752	0	141,146		141,146		0
335	Hydrants	153,743	0	0	153,743		153,743		0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	668	0	668		668		0
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	57,919	0	0	57,919		57,919		0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	9,972	7,846	0	17,818		17,818		0
347	Miscellaneous Equipment	9,683	0	0	9,683		9,683		0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$1,961,872	\$153,239	\$0	\$2,115,111	\$0	\$2,115,111		\$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

Southland Utilities Company, Inc.
Annual Report
Balance Sheet Assets
12/31/24

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current and Accrued Assets			
131	Cash		\$200,181	\$143,751
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		14,873	31,234
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		25,256	28,315
174	Miscellaneous Current and Accrued Assets		81,999	81,999
	Total Current and Accrued Assets		\$322,309	\$285,299
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,961,872	\$2,115,111
103	Property Held for Future Use		0	0
105	Construction Work in Progress		19,662	41,194
108	Accumulated Depreciation (enter as negative)*		(1,254,850)	22,620,787
121	Non-Utility Property		11,716	11,716
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$738,401	\$24,788,809
	Total Assets		\$1,060,710	\$25,074,108

*Note these items feed automatically from AR3 UPIS Page 4

Southland Utilities Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2024)	Balance at End of Year (2024)
Account No.	Current Liabilities			
231	Accounts Payable		\$20,106	\$30,438
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		21,984	12,522
236	Accrued Taxes		1,768	2,130
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$43,858	\$45,089
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$515,462	\$465,995
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	(161)
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		87,956	87,956
272	Less: Amortization of Contributions		(83,574)	(83,574)
281	Accumulated Deferred Income Tax		7,597	7,597
	Total Deferred Credits		\$11,979	\$11,818
	Total Liabilities		\$571,298	\$522,902
	Capital Accounts			
201	Common Stock Issued		\$6,000	\$6,000
211	Other Paid-In Capital		133,954	133,954
215	Retained Earnings		398,943	465,947
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$538,897	\$605,901
	Total Liabilities and Capital		\$1,110,195	\$1,128,803

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

Southland Utilities Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/24

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2024 - 12/31/2024	Last Year 01/01/2023 - 12/31/2023
	Operating Revenue		
461	Metered Water Revenue	\$454,680	\$406,747
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	9,956	13,155
	Total Revenues	\$464,635	\$419,902
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	30,365	37,706
618	Chemicals	0	0
620	Materials and Supplies	766	60
620.1	Repairs and Maintenance	5,680	2,140
620.2	Office Supplies and Expense	12,209	11,249
630	Contractual Services	182,593	171,572
631	Contractual Services - Engineering	720	0
632	Contractual Services - Accounting	2,700	3,818
633	Contractual Services - Legal	7,962	4,907
634	Contractual Services - Management Fees	167,942	157,024
635	Contractual Services - Water Testing	2,807	4,580
636	Contractual Services - Other	462	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	3,471	3,182
657	Insurance - General Liability	3,984	1,581
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	4,331	200
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	7,706	579
403	Depreciation Expense (From Schedule AR4)		
408	Taxes Other Than Income	0	2
408.11	Property Taxes	16,222	17,404
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	257	572
	Total Operating Expenses	\$450,179	\$416,576
	Operating Income / (Loss)	\$14,457	\$3,326
	Other Income / (Expense)		
419	Interest and Dividend Income	\$4,264	\$458
421	Non-Utility Income	(4)	288
426	Miscellaneous Non-Utility (Expense)	0	
427	Interest (Expense)	5,898	8,776
	Total Other Income / (Expense)	\$10,158	\$9,522
	Net Income / (Loss)	\$24,614	\$12,848

Southland Utilities Company, Inc.
Annual Report
Full time equivalent employees
12/31/24

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	1.0	0.0	0.0	1.0
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.0	0.0
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	0.2	0.2
Accounting	0.0	0.0	0.2	0.2
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	1.0	0.0	1.4	2.4

Southland Utilities Company, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/24

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	9/8/2012	NA	NA	NA
Source of Loan	WIFA	NA	NA	NA
ACC Decision No.	72429	NA	NA	NA
Reason for Loan	MAIN/STORAGE	NA	NA	NA
Dollar Amt. Issued	\$1,014,193	NA	NA	NA
Amount Outstanding	\$519,671	NA	NA	NA
Date of Maturity	9/1/2032	NA	NA	NA
Interest Rate	4.20%	NA	NA	NA
Current Year Interest	\$5,898	NA	NA	NA
Current Year Principal	\$465,995	NA	NA	NA

Meter Deposit Balance at Test Year End:	\$12,292
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Meter Deposits Refunded During the Test Year:	\$2,080
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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:	NA
ADWR PCC Number:	NA
Source of water delivered to another system	NA

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

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	4,545,900.00	3,585,547.00	0.00	0.00	0.00	\$1,963	15,260
February	3,947,200.00	3,026,730.00	0.00	0.00	0.00	2,467	15,805
March	3,993,180.00	2,963,238.00	0.00	0.00	0.00	2,251	14,210
April	4,213,830.00	3,164,736.00	0.00	0.00	0.00	2,798	15,768
May	5,519,436.00	4,259,618.00	0.00	0.00	0.00	3,292	19,809
June	4,777,010.00	3,632,646.00	0.00	0.00	0.00	3,132	22,461
July	5,599,730.00	4,458,618.00	0.00	0.00	0.00	2,668	20,165
August	5,160,657.00	4,135,988.00	0.00	0.00	0.00	2,503	17,906
September	3,862,557.00	3,008,367.00	0.00	0.00	0.00	2,644	16,887
October	5,061,960.00	4,052,473.00	0.00	0.00	0.00	2,549	18,555
November	4,673,381.00	3,644,309.00	0.00	0.00	0.00	2,415	18,174
December	3,015,097.00	2,267,862.00	0.00	0.00	0.00	2,144	16,120
Totals	54,369,938.00	42,200,132.00	0.00	0.00	0.00	\$30,825	211,120

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

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:	SOUTHLAND UTL-GOLDEN ACR		
ADEQ Public Water System Number:	AZ0402029		
ADWR PCC Number:	91-000047.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Stainless Steel	1,000
4.00	AC/PVC	18,122
4.00	PVC	526
6.00	PVC	2,711
6.00	AC/PVC	28,260
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

SERVICE LINES			
Material	Percent of system	Year installed	
Galvanized steel	80%	1970S	
PVC	10%	1970S	
Black poly	10%	1970S	
NA	NA	NA	
NA	NA	NA	

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
5	100	1	
10	200	1	
20	400	3	
30	600	3	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
62,000	STEEL	1	1970S
165,000	STEEL	2	2009
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	666	2%	39%
0.75	2	50%	50%
2	2	100%	50%
3	1	100%	100%
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

FIRE HYDRANTS	
Type	Quantity
Standard *	46
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
90	EEL/RUBBER	2	2009
5,000	STEEL	1	1970S
125	EEL/RUBBER	1	1970S
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

* 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:	2 CHLORINATORS
STRUCTURES:	554FT OF 6FT TALL CHAIN LINK FENCE, 10X12FT BRICK STORAGE STRUCTURES, 16X20FT BOOSTER BUILDING
OTHER:	BACKUP GENERATOR

Customer and Other Information	
Name of the System:	SOUTHLAND UTL-GOLDEN ACR
ADEQ Public Water System Number:	AZ0402029
ADWR PCC Number:	91-000047.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	613	0	36	0	0
February	612	0	36	0	0
March	619	0	36	0	0
April	615	0	36	0	0
May	616	0	36	0	0
June	620	0	36	0	0
July	616	0	36	0	0
August	614	0	36	0	0
September	614	0	35	0	0
October	619	0	37	0	0
November	619	0	34	0	0
December	621	0	35	0	0

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.

NONE

Southland Utilities Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/24

Utility Shutoffs / Disconnects		
Name of the System:	SOUTHLAND UTL-GOLDEN ACR	
ADEQ Public Water System Number:		AZ0402029
ADWR PCC Number:		91-000047.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	9	0
February	0	3	0
March	0	3	0
April	0	6	0
May	0	9	0
June	0	10	0
July	0	4	0
August	0	3	0
September	0	9	0
October	0	14	0
November	0	0	0
December	0	0	0
Total	0	70	0

Other (description):

NA

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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2024 was
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\$16,222

If no property taxes paid, explain why.

NA

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): Cochise
Name (owner or official) title: Lacey Merritt
Company name: Southland Utilities Company, Inc.

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

FOR THE YEAR ENDING: 12/31/24

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

520-624-1460

telephone no.



Rose S Chacon
Pima County
12/18/26