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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT

Of

Company Name: William R. Farr DBA Salome Water Company
PO Box 550

Mailing Address: Salome AZ
85348

Docket No.: W-01084A
For the Year Ended: 12/31/23

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: 6/5/2025

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
William R. Farr DBA Salome Water Company
A Class Utility

For the Calendar Year Ended: 12/31/23

Primary Address:

PO BOX 85160
City: TUCSON State: Arizona Zip Code: 85754

Telephone Number:

520-623-5172

Date of Original Organization of Utility:

3/1/1975

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:

na

Telephone No. :

na

Address:

na
City: na State: na Zip Code: na

Email:

na

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Name:

na

Telephone No. :

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Address:

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City: na State: na Zip Code: na

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Telephone No. :

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City: na State: na Zip Code: na

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Name:

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Telephone No. :

na

Address:

na
City: na State: na Zip Code: na

Email:

na

Ownership:

"C" Corporation

Counties Served:

La Paz

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
William R. Farr DBA Salome Water Company

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?
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	If yes, please provide specific details in the box below.
--	---

	NA
--	----

No	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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	Yes. See ACC Decision 79646.
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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	\$654	\$0	\$0	\$654	\$0	\$654
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	500	0	0	500	0	500
304	Structures and Improvements	4,000	0	0	4,000	3,000	1,000
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	86,000	0	0	86,000	26,742	59,258
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	46,163	0	0	46,163	11,107	35,056
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	1,200	0	0	1,200	1,200	0
330.1	Storage Tanks	15,000	0	0	15,000	15,000	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	364,450	0	0	364,450	262,133	102,317
333	Services	15,900	0	0	15,900	15,900	0
334	Meters and Meter Installations	14,989	0	0	14,989	20	14,969
335	Hydrants	13,500	0	0	13,500	13,500	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	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	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$562,356	\$0	\$0	\$562,356	\$348,602	\$213,754

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	\$654	\$0	\$0	\$654	\$0	\$654	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	500	0	0	500	0	500	0.00%	0
304	Structures and Improvements	4,000	0	0	4,000	0	4,000	0.00%	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	86,000	0	0	86,000	27,343	58,657	3.33%	1,953
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	46,163	0	0	46,163	12,509	33,654	12.50%	4,207
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	1,200	0	0	1,200	0	1,200	0.00%	0
330.1	Storage Tanks	15,000	0	0	15,000	15,000	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	364,450	0	0	364,450	0	364,450	2.00%	7,289
333	Services	15,900	0	0	15,900	0	15,900	0.00%	0
334	Meters and Meter Installations	14,989	0	0	14,989	0	14,989	8.33%	1,249
335	Hydrants	13,500	0	0	13,500	13,500	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	0	0	0	0	0	0	0.00%	0
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	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	0	0	0	0	0	0	0.00%	0
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	\$562,356	\$0	\$0	\$562,356	\$68,352	\$494,004		\$14,698

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	2.98%
Amortization of CIAC	\$0

Less: Amortization of CIAC **\$0**

DEPRECIATION EXPENSE **\$14,698**

William R. Farr DBA Salome Water Company
Annual Report
Balance Sheet Assets
12/31/23

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current and Accrued Assets			
131	Cash		\$10,650	\$25,555
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		1,852	725
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$12,503	\$26,280
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$562,356	\$562,356
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*			(348,602)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$562,356	\$213,754
	Total Assets		\$574,859	\$240,034

*Note these items feed automatically from AR3 UPIS Page 4

William R. Farr DBA Salome Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current Liabilities			
231	Accounts Payable		\$212,503	\$273,707
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	100
236	Accrued Taxes		1,688	4,885
237	Accrued Interest		798	798
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$214,988	\$279,489
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$0	\$0
	Total Liabilities		\$214,988	\$279,489
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		(41,583)	(202,374)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		(\$41,583)	(\$202,374)
	Total Liabilities and Capital		\$173,405	\$77,115

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

William R. Farr DBA Salome Water Company
Annual Report
Water Comparative Income Statement
12/31/23

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$36,833	\$20,962
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	617	79
	Total Revenues	\$37,450	\$21,041
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	17,869	9,868
618	Chemicals	0	1,285
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	880	4,461
620.2	Office Supplies and Expense	2,289	1,381
630	Contractual Services	39,819	26,100
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	17,414	0
634	Contractual Services - Management Fees	19,774	17,167
635	Contractual Services - Water Testing	1,820	6,084
636	Contractual Services - Other	812	2,850
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	0	0
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	406	0
403	Depreciation Expense (From Schedule AR4)	14,698	14,698
408	Taxes Other Than Income	0	0
408.11	Property Taxes	0	5,335
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	213
	Total Operating Expenses	\$115,781	\$89,442
	Operating Income / (Loss)	(\$78,331)	(\$68,401)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$78,331)	(\$68,401)

William R. Farr DBA Salome Water Company
Annual Report
Full time equivalent employees
12/31/23

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.1	0.1
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.3	0.3
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	0.0	0.0
Customer Service	0.0	0.0	0.1	0.1
Accounting	0.0	0.0	0.1	0.1
Business Office	0.0	0.0	0.1	0.1
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.1	0.1
Other	0.0	0.0	0.0	0.0
Total	0.0	0.0	1.3	1.3

William R. Farr DBA Salome Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/23

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	n/a	n/a	n/a	n/a
Source of Loan	n/a	n/a	n/a	n/a
ACC Decision No.	n/a	n/a	n/a	n/a
Reason for Loan	n/a	n/a	n/a	n/a
Dollar Amt. Issued	n/a	n/a	n/a	n/a
Amount Outstanding	n/a	n/a	n/a	n/a
Date of Maturity	n/a	n/a	n/a	n/a
Interest Rate	n/a	n/a	n/a	n/a
Current Year Interest	n/a	n/a	n/a	n/a
Current Year Principal	n/a	n/a	n/a	n/a

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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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.

[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-XXXXXX):	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 Expense ⁶	Purchased Power (kWh)7
January	2,131,708.00	1,791,351.00	0.00	0.00	0.00	\$1,122	6,968
February	1,390,234.00	1,158,528.00	0.00	0.00	0.00	1,110	6,893
March	1,349,514.00	1,071,043.00	0.00	0.00	0.00	1,119	6,949
April	1,568,229.00	1,254,583.00	0.00	0.00	0.00	1,134	7,042
May	2,126,754.00	1,715,124.00	0.00	0.00	0.00	1,413	8,775
June	1,658,200.00	1,305,669.00	0.00	0.00	0.00	1,410	8,756
July	2,238,186.00	1,748,583.00	0.00	0.00	0.00	1,125	6,986
August	1,827,459.00	1,497,917.00	0.00	0.00	0.00	1,413	8,775
September	1,732,234.00	1,385,787.00	0.00	0.00	0.00	1,128	7,005
October	1,142,923.00	968,579.00	0.00	0.00	0.00	1,419	8,812
November	1,673,517.00	1,368,370.00	0.00	0.00	0.00	1,422	8,831
December	778,999.00	689,380.00	0.00	0.00	0.00	1,122	6,968
Totals	19,617,957.00	15,954,914.00	0.00	0.00	0.00	\$14,937	92,759

If applicable, in the space below please provide a description for all un-metered water use along with amounts: The chart above is an estimate based on 2024 records.
--

- | | |
|---|---|
| 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:		SALOME WATER COMPANY	
ADEQ Public Water System Number:		AZ0415021	
ADWR PCC Number:		91-000745.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	5,400
3.00	PVC	8,300
4.00	PVC	2,570
6.00	PVC	7,800
8.00	PVC	700
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	
PVC	100%	Varies	
NA	NA	NA	
NA	NA	NA	
NA	NA	NA	
NA	NA	NA	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
NA	None	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
225,000	Steel	1	1952
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
0.75	127	100%	100%
1	24	100%	100%
2	7	100%	100%
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

FIRE HYDRANTS	
Type	Quantity
Standard *	9
Other	NA

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
NA	NA	NA	NA
NA	NA	NA	NA
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)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	Yes
STRUCTURES:	Fencing.
OTHER:	NA

Customer and Other Information		
Name of the System:	SALOME WATER COMPANY	
ADEQ Public Water System Number:	AZ0415021	
ADWR PCC Number:	91-000745.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	120	0	18	0	16
February	115	0	19	0	17
March	115	0	18	0	18
April	117	0	17	0	18
May	118	0	18	0	18
June	119	0	16	0	17
July	118	0	16	0	17
August	119	0	16	0	11
September	117	0	16	0	11
October	117	0	16	0	11
November	117	0	15	0	11
December	116	0	15	0	11

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.

NA

William R. Farr DBA Salome Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	SALOME WATER COMPANY
ADEQ Public Water System Number:	AZ0415021
ADWR PCC Number:	91-000745.0000

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

William R. Farr DBA Salome Water Company
Annual Report
Property Taxes
12/31/23

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2023 was
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\$5,335

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.

✓
5/16 sent

Verification and Certification (Taxes)

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

County of (county name): La Paz
Name (owner or official) title: Lacey Merritt
Company name: William R. Farr DBA Salome Water Company

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

FOR THE YEAR ENDING: 12/31/24

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.

Lacey Merritt
signature of owner/official

520-624-1460

telephone no.



Rose S Chacon
Pima County
12/18/26