

Note 34

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CLASS B and C
WATER UTILITIES

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UTILITY AUDIT, FINANCE AND
COMPLIANCE BRANCH
DIVISION OF WATER AND AUDITS

~~2010~~
ANNUAL REPORT
OF

~~ALISA WATER CORPORATION~~

ALCO WATER SERVICE

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

249 Williams Road, Salinas, CA 93905

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2010

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2011

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GENERAL INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2011**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page 34, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference, it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2010, through December 31, 2010. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR ALL WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

GENERAL INFORMATION

1 Name under which utility is doing business:

Alisal Water Corporation dba Alco Water Service

2 Official mailing address:

249 Williams Road, Salinas, CA

ZIP 93905

3 Name and title of person to whom correspondence should be addressed:

Thomas R. Adcock, President

Telephone: (831) 424-0441

4 Address where accounting records are maintained:

249 Williams Road, Salinas, CA 93905

5 Service Area (Refer to district reports if applicable):

East Salinas vicinity

6 Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)

Name:

Address:

Telephone:

7 OWNERSHIP. Check and fill in appropriate line:

Individual (name of owner)

Partnership (name of partner)

Partnership (name of partner)

Partnership (name of partner)

Corporation (corporate name)

Alisal Water Corporation

Organized under laws of (state)

California

Date:

1950

Principal Officers:

(Name) **Thomas R. Adcock**

(Title)

President

(Name) **Patricia Adcock**

(Title)

Secretary

(Name) **Marino Rodriguez**

(Title)

Chief Financial Officer

(Name)

(Title)

8 Names of associated companies:

California Utilities Service, Inc.

9 Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:

Date:

Date:

Date:

10 Use the space below for supplementary information or explanations concerning this report:

11 List Name, Grade, and License Number of all Licensed Operators:

<u>Name:</u>	<u>Treatment License #</u>	<u>Treatment Grade</u>	<u>Distribution License #</u>	<u>Distribution Grade</u>
Thomas R. Adcock	17011	4	22462	4
Edward Alexandre	21308	2	32755	2
Matt Best	26798	1	29577	1
Octavio Castillo	16660	2	36552	1
Adnen Chaabane	29685	2	35212	4
Andrew Clarke	28759	2	30053	4
John Guerra	30768	2	23230	2
Andrea Schmitz	23026	2	19083	2
Adam Souza	20785	2	N/A	N/A

BALANCE SHEET AND CAPITALIZATION DATA

Calendar Year 2010

NAME OF UTILITY Alco Water Service PHONE (831) 424-0441

PERSON RESPONSIBLE FOR THIS REPORT Marino A. Rodriguez

	<u>1/1/2010</u>	<u>12/31/2010</u>	<u>Average</u>
BALANCE SHEET DATA			
1 Intangible Plant	15,341	15,341	15,341
2 Land and Land Rights	471,101	496,101	483,601
3 Depreciable Plant	29,221,605	29,369,952	29,295,779
4 Gross Plant in Service	29,708,047	29,881,394	29,794,721
5 Less: Accumulated Depreciation	(8,755,430)	(9,530,290)	(9,142,860)
6 Net Water Plant in Service	20,952,617	20,351,104	20,651,861
7 Water Plant Held for Future Use	-	1,586,250	793,125
8 Construction Work in Progress	3,124,631	2,361,786	2,743,209
9 Materials and Supplies	10,000	10,000	10,000
10 Less: Advances for Construction	(4,966,762)	(5,109,736)	(5,038,249)
11 Less: Contribution in Aid of Construction	(4,514,827)	(4,449,387)	(4,482,107)
12 Less: Accumulated Deferred Income and Investment Tax Credits	(950,610)	(948,612)	(949,611)
13 Net Plant Investment	<u>13,655,049</u>	<u>13,801,405</u>	<u>13,728,227</u>
CAPITALIZATION			
14 Common Stock	89,063	89,063	89,063
15 Treasury Stock	(55,761)	(89,063)	(72,412)
16 Paid-in Capital	-	-	-
17 Retained Earnings	1,868,962	2,505,855	2,187,409
18 Common Stock and Equity (Lines 14 through 17)	<u>1,902,264</u>	<u>2,505,855</u>	<u>2,204,060</u>
19 Preferred Stock	-	-	-
20 Long-Term Debt	9,479,216	9,042,205	9,260,711
21 Notes Payable	4,663,857	4,662,865	4,663,361
22 Total Capitalization (Lines 18 through 21)	<u>16,045,337</u>	<u>16,210,925</u>	<u>16,128,131</u>

INCOME STATEMENT AND OTHER DATA

Calendar Year 2010

NAME OF UTILITY: Alco Water Service PHONE (831) 424-0441

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	-
24	Fire Protection Revenue	24,555
25	Irrigation Revenue	-
26	Metered Water Revenue	7,748,478
	Other Water Revenue	25,990
	Non Potable Water Revenue	5,006
27	Total Operating Revenue	7,804,029
28	<u>Operating Expenses</u>	4,029,420
29	Depreciation Expense (Composite Rate <u>2.81%</u>)	629,156
30	Amortization and Property Losses	-
31	Property Taxes	147,928
32	Taxes Other Than Income Taxes	333,952
33	Total Operating Revenue Deduction Before Taxes	5,140,456
34	California Corp. Franchise Tax	138,694
35	Federal Corporate Income Tax	486,282
36	Total Operating Revenue Deduction After Taxes	5,765,432
37	Net Operating Income (Loss) - California Water Operations	2,038,597
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	(43,578)
39	Income Available for Fixed Charges	1,995,019
40	Interest Expense	1,037,926
41	Net Income (Loss) Before Dividends	957,093
42	Preferred Stock Dividends	-
43	Net Income (Loss) Available for Common Stock	957,093
OTHER DATA		
44	Refunds of Advances for Construction	21,967
45	Total Payroll Charged to Operating Expenses	1,420,831
46	Purchased Water	-
47	Power	582,875

				Annual Average
	<u>Active Service Connections</u>	(Exc. Fire Protect.)	105	
48	Metered Service Connections	8,734	8,836	8,785
49	Flat Rate Service Connections	-	-	-
50	Total Active Service Connections	8,734	8,836	8,785

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each companies Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2010:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row Number	Description of Non-Tariffed Goods/Services	Active or Passive	Total Revenue Derived from Non-tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-tariffed Goods/ Services (by account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-tariffed Goods/ Services (by account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-tariffed Goods/ Services (by account)	Regulated Asset Account Number

N/A

**SCHEDULE A
COMPARATIVE BALANCE SHEET
Assets and Other Debits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
		UTILITY PLANT			
1	101	Water plant in service	A-1	29,881,393	29,708,047
2	103	Water plant held for future use	A-1 & A-1b	1,586,250	
3	104	Water plant purchased or sold	A-1	-	29,000
4	105	Water plant construction work in progress	A-1	2,361,786	3,124,631
5		Total utility plant		33,829,429	32,861,678
6	106	Accumulated depreciation of water plant	A-3	(9,530,290)	(8,755,430)
7	114	Water plant acquisition adjustments	A-1	148,245	-
8		Total amortization and adjustments		(9,382,045)	(8,755,430)
9		Net utility plant		24,447,384	24,106,248
		INVESTMENTS			
10	121	Non-utility property and other assets	A-2	104,747	104,747
11	122	Accumulated depreciation of non-utility property	A-3		
12		Net non-utility property		104,747	104,747
13	123	Investments in associated companies			
14	124	Other investments			
15		Total investments		104,747	104,747
		CURRENT AND ACCRUED ASSETS			
16	131	Cash		190,686	375,883
17	132	Special accounts		646,721	658,485
18	141	Accounts receivable - customers		2,455,674	640,801
19	142	Receivables from associated companies		286,217	622,824
20	143	Accumulated provision for uncollectible accounts		(59,382)	(28,956)
21	151	Materials and supplies		10,000	10,000
22	174	Other current assets	A-4	211,396	88,649
23		Total current and accrued assets		3,741,312	2,367,686
24	180	Deferred charges	A-5	1,631,431	2,899,839
25		Total assets and deferred charges		29,924,874	29,478,520

SCHEDULE A
COMPARATIVE BALANCE SHEET
Liabilities and Other Credits

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
CORPORATE CAPITAL AND SURPLUS					
1	201	Common stock	A-6	89,063	89,063
	202	Treasury stock		(89,063)	(55,761)
2	204	Preferred stock	A-6		
3	211	Other paid-in capital	A-8		
4	215	Retained earnings	A-9	2,505,856	1,868,962
5		Total corporate capital and retained earnings		2,505,856	1,902,264
PROPRIETARY CAPITAL					
6	218	Proprietary capital	A-10		
7	218.1	Proprietary drawings			
8		Total proprietary capital		-	-
LONG TERM DEBT					
9	224	Long term debt	A-11	9,042,205	9,479,216
		Less: Current portion of long term debt		(423,054)	(388,063)
		Net Long Term Debt		8,619,151	9,091,153
10	225	Advances from associated companies	A-12	-	-
CURRENT AND ACCRUED LIABILITIES					
11	231	Accounts payable		961,590	953,200
12	232	Short term notes payable		4,662,865	4,663,857
		Current portion of long term debt		423,054	388,063
13	233	Customer deposits		159,698	153,453
14	235	Payables to associated companies	A-13	17,272	-
15	236	Accrued taxes		155,997	74,454
16	237	Accrued interest		164,334	186,698
17	241	Other current liabilities	A-14	790,310	682,434
18		Total current and accrued liabilities		7,335,120	7,102,159
DEFERRED CREDITS					
19	252	Advances for construction	A-15	5,109,736	4,966,762
20	253	Other credits		957,012	950,745
21	255	Accumulated deferred investment tax credits	A-16	51,255	55,367
22	282	Accumulated deferred income taxes - ACRS depreciation	A-16	897,357	895,243
23	283	Accumulated deferred income taxes - other	A-16		
24		Total deferred credits		7,015,360	6,868,117
CONTRIBUTIONS IN AID OF CONSTRUCTION					
25	271	Contributions in aid of construction	A-17	6,982,618	6,853,657
26	272	Accumulated amortization of contributions		(2,533,231)	(2,338,830)
27		Net contributions in aid of construction		4,449,387	4,514,827
28		Total liabilities and other credits		29,924,874	29,478,520

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water plant in service	29,708,047	1,108,048	(7,552)	(927,150)	29,881,393
2	103	Water plant held for future use	-	1,586,250			1,586,250
3	104	Water plant purchased or sold	29,000			(29,000)	-
4	105	Construction work in progress - water plant	3,124,631	44,500		(807,345)	2,361,786
5	114	Water plant acquisition adjustments	-			148,245	148,245
6		Total utility plant	32,861,678	2,738,798	(7,552)	(1,615,250)	33,977,674

* Debit or credit entries should be explained by footnotes or supplementary schedules

Other Credits - Water Plant in Service: \$927,150: This amount is \$778,905 related to the Verona Well ordered to be transferred to Water Plant held for future use (D.11-03-005) and \$148,245 the amount of transportation equipment and other equipment not allowed for ratemaking purposes (D.11-03-005).

Other Credits - Water Plant Purchased or Sold: \$29,000 is related to the plant of the Rosehart system. In 2010, this was added to Water Plant in Service (D.11-02-005).

Other Credits - CWIP: \$807,345 was transferred to Water Plant Held for Future Use (D.11-02-005).

Other Debits - Water Plant Acquisition Adjustment: \$148,245 was transferred from Water Plant in Service (D.11-02-005)

**SCHEDULE A-1a
Account No. 101 - Water Plant in Service**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
		NON-DEPRECIABLE PLANT					
1	301	Intangible plant	15,341	-	-	-	15,341
2	303	Land	471,101	25,000	-	-	496,101
3		Total non-depreciable plant	486,442	25,000	-	-	511,442
		DEPRECIABLE PLANT					
4	304	Structures	1,235,329	154,433		(358,414)	1,389,762
5	307	Wells	927,917	4,000		(194,674)	931,917
6	317	Other water source plant	38,849	-			38,849
7	311	Pumping equipment	2,443,147	131,638	(3,000)	(88,911)	2,482,874
8	320	Water treatment plant	408,263	8,958		(2,231)	414,990
9	330	Reservoirs, tanks and sandpipes	359,218	13,176		(48,058)	372,394
10	331	Water mains	15,096,650	360,585		(86,617)	15,457,235
11	333	Services and meter installations	4,182,434	211,415	(2,052)		4,391,797
12	334	Meters	1,706,866	15,887			1,722,753
13	335	Hydrants	35,946	-			35,946
14	339	Other equipment	1,669,711	12,648	(2,500)	(119,735)	1,560,124
15	340	Office furniture and equipment	443,484	10,618			454,102
16	341	Transportation equipment	673,792	159,690		(28,510)	804,972
17		Total depreciable plant	29,221,605	1,083,048	(7,552)	(927,150)	29,369,951
18		Total water plant in service	29,708,047	1,108,048	(7,552)	(927,150)	29,881,393

* Debit or credit entries should be explained by footnotes or supplementary schedules

Other Credits: \$778,905 is related to plant transferred to Water Plant Held for Future Use per D.11-02-005.

Other Credits: \$148,245 is related to plant transferred to Water Plant Acquisition Adjustment per D.11-02-005.

SCHEDULE A-1b
Account No. 103 - Water Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property will be placed in Service (c)	Balance End of Year (d)
1	Verona Well, Lot, Building, etc.	2010	Mar-11	778,905
2	Bardin Well	2010	Dec-11	750,345
3	Laurel Heights Well	2010	Dec-12	57,000
4				
5				
6				
7				
8				
9				
10	Total			1,586,250

SCHEDULE A-2
Account No. 121 - Non-utility Property and Other Assets

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1	Land	24,342
2	PG&E Deposit	80,405
3		
4		
5		
6		
7		
8		
9		
10	Total	104,747

SCHEDULE A-3
Account Nos. 108 and 122 - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 108 Water Plant (b)	Account 108.1 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	8,755,431		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	629,156		
4	(b) Charged to Account No 272	194,401		
5	(c) Charged to clearing accounts	-		
6	(d) Salvage recovered	-		
7	(e) All other credits (Footnote 2)	-		
8	Total Credits	823,557		
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	(7,552)		
11	(b) Cost of removal	-		
12	(c) All other debits (Footnote 3)	(41,145)		
13	Total debits	(48,697)		
14	Balance in reserve at end of year	9,530,291		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			2.8100%
16				
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19				
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS:			
24	All other debits of (\$41,145) represent an adjustment of accumulated depreciation			
25	due to the transfer of Water Plant in service to Water Plant Held for Future Use and			
26	Water Plant Acquisition Adjustment as per D.11-03-005.			
27				
28				
29	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION			
30	(a) Straight line			
31	(b) Liberalized			
32	(1) Sum of the years digits			
33	(2) Double declining balance			
34	(3) Other			
35	(c) Both straight line and liberalized			[X]

SCHEDULE A-3a
Account No. 108 - Analysis of Entries in Depreciation Reserve

Line No.	Acct No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excluding Costs of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures	353,031	22,667			375,698
2	307	Wells	352,705	16,652		(5,913)	363,444
3	317	Other water source plant	6,197	1,558		(22,486)	(14,731)
4	311	Pumping equipment	1,095,054	95,828	(3,000)	(4,994)	1,182,888
5	320	Water treatment plant	206,589	20,499		(75)	227,013
6	330	Reservoirs, tanks and sandpipes	119,548	5,238		(559)	124,227
7	331	Water mains	2,999,896	273,748		(866)	3,272,778
8	333	Services and meter installations	1,366,704	85,743	(2,052)		1,450,395
9	334	Meters	631,931	104,406			736,337
10	335	Hydrants	18,566	805			19,371
11	339	Other equipment	994,187	78,144	(2,500)	(4,969)	1,064,862
12	340	Office furniture and equipment	351,289	44,700		(1,283)	394,706
13	341	Transportation equipment	259,734	73,569			333,303
14		Total	8,755,431	823,557	(7,552)	(41,145)	9,530,291

SCHEDULE A-4
Account No. 174 - Other Current Assets

Line No.	Item (a)	Amount (b)
1	Prepaid Insurance	110,473
2	Prepaid Expenses	11,928
3	Deposits	50,000
4	Other	38,995
5		
6		
7		
8		
9		
10	Total	211,396

SCHEDULE A-5

Accounts Nos. 180 and 253 - Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of Long-Term Debts (a)	Principal Amount of Securities to Which Discount and Expense, or Premium Minus Expense, Relates (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1									
2									
3									
4									
5									
6									
7									
8			N/A						
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

SCHEDULE A-6
Account Nos. 201 and 204 - Capital Stock

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common		11,250	No Par	11,250	89,063		-
2								
3								
4								
5								
6								
7								
8							Total	-

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number of Shares (b)	PREFERRED STOCK	Number of Shares (d)
	Name (a)		Name (c)	
1	Patricia Adcock	7,900		
2	ESOT	-		
3	Alco Water Service - Treasury Stock	3,350		
4				
5				
6				
7				
8				
9				
10	Total number of shares	11,250	Total number of shares	

SCHEDULE A-8
Account No. 211 - Other Paid in Capital (Corporations only)

Line No.	Type of Paid in Capital (a)	Balance End of Year (b)
1		
2		
3	N/A	
4		
5		
6		
7		
8	Total	

SCHEDULE A-9
Account No. 215 - Retained Earnings
(Corporations Only)

Line No	Item (a)	Amount (b)
1	Balance beginning of year	1,868,962
2	CREDITS	
3	Net income	957,092
4	Prior period adjustments	
5	Other credits (detail)	
6	Total Credits	957,092
7		
8	DEBITS	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	320,198
14	Total Debits	320,198
15	Balance end of year	2,505,856

Other Debits: In 2010, Alco repurchased 1,677 shares of its common stock from the ESOP for a cost of \$210.09 per share. The stocks are now held as treasury stock.

SCHEDULE A-10
Account No. 218 - Proprietary Capital
(Sole Proprietor or Partnership)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	CREDITS	
3	Net income	
4	Additional investments during year	N/A
5	Other credits (detail)	
6	Total Credits	
7	DEBITS	
8	Net losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total Debits	
12	Balance end of year	

SCHEDULE A-11
Account No. 224 - Long-Term Debt

Line No.	Class (a)	Name of Issue (b)	Date of Issue (c)	Date of Maturity (d)	Principal Amount Authorized (e)	Outstanding Per Balance Sheet (f)	Interest Rate (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	Patricia Adcock (Advances)		(Various)	Demand	210,000	-	12.00%	1,363		1,363
2	Patricia Adcock (Advances)		Feb-09	Demand	147,000	-	10.00%	15,586		28,449
3	4M Development (Capital Lease)		Nov-06	Nov-11	1,079,765	950,003	9.50%	119,954		119,954
4	Enterprise (Capital Lease)		Aug-05	Nov-11	53,783	-	8.90%	290		290
5	Enterprise (Capital Lease)		May-08	Jul-10	69,708	37,336	7.76%	3,448		347
6	Enterprise (Capital Lease)		Jun-08	Apr-13	66,480	38,226	8.37%	3,763		3,763
7	Enterprise (Capital Lease)		Jun-08	May-13	79,315	45,694	8.24%	4,431		4,431
8	RaboBank		Dec-08	May-13	124,929	78,386	6.00%	5,560		5,536
9	All State (2007A Bonds)		May-07	May-27	8,500,000	7,800,000	7.85%	619,267		623,781
10	All State Bond Fees (Amortized)		May-11	May-27	-	-	-	29,387		-
11	Enterprise (Capital Lease)		Jun-10	May-16	47,475	43,612	8.24%	1,996		1,996
12	Enterprise (Capital Lease)		Jun-10	May-16	53,123	48,948	8.24%	2,583		2,584
13	Subtotal					9,042,205		807,628		792,494
14	Less: Current Portion of Long Term Debt					(423,054)		-		-
15	Less: Capitalized Interest							(166,984)		-
16	Total					8,619,151		640,644		792,494

SCHEDULE A-12
Account No. 225 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3	N/A				
4					
5					
6	Totals				

Schedule A-13
Account No. 235 - Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3	N/A				
4					
5					
6	Totals				

SCHEDULE A-14
Account No. 241 - Other Current Liabilities

Line No.	Description (a)	Balance End of Year (b)
1	Payroll & PTO Accrual	139,624
2	Equipment Rentals	27,048
3	Uncashed Checks	329,516
4	Other	294,122
5	Total	790,310

SCHEDULE A-15
Account No. 252 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year		4,966,762
2	Additions during year		164,941
3	Subtotal - Beginning balance plus additions during year		5,131,703
4	Charges during year:		
5	Refunds		
6	Percentage of revenue basis	-	
7	Proportionate cost basis	21,967	
8	Present worth basis	-	
9	Total refunds	21,967	
10	Transfers to Acct. 271, Contributions in aid of Construction		
11	Due to expiration of contracts	-	
12	Due to present worth discount	-	
13	Total transfers to Acct. 271	-	
14	Securities Exchanged for Contracts (Enter detail below)	-	
15	Subtotal - charges during year	-	21,967
16	Balance end of year		5,109,736

SCHEDULE A-16
Account Nos. 255, 282, and 283 - Deferred Taxes

Line No.	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 - Other (d)
1	Accumulated Deferred Investment Tax Credit	51,255		
2	Accumulated Deferred Income Taxes		897,397	
3				
4				
5	Total	51,255	897,397	-

SCHEDULE A-17

Account No. 271 - Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid of Construction

1. The credit balance in the account other than that portion of the balance relating to non-depreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 106, Accumulated depreciation of water plant, over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account No. 106. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.
2. That portion of the balance applicable to non-depreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such non-depreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.
3. That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.		Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 ² (e)	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 ³ (f)
			Depreciable (c)	Non-Depreciable ¹ (d)		
1	Balance beginning of year	4,514,827	4,514,827			
2	Add: Credits to account during year	-				
3	Contributions received during year	128,961	128,961			
4	Other credits*	-				
5	Total credits	-				
6	Deduct: Debits to Account during year					
7	Depreciation charges for year	(194,401)	(194,401)			
8	Non-depreciable donated property retired	-				
9	Other debits*	-				
10	Total debits	-				
11	Balance end of year	4,449,387	4,449,387	-	-	-

* Indicate nature of these items and show the accounts affected by the contra entries

**SCHEDULE B
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
UTILITY OPERATING INCOME				
1	400	Operating Revenues	B-1	7,804,029
OPERATING REVENUE DEDUCTIONS				
2	401	Operating expenses	B-2	4,029,420
3	403	Depreciation expense	A-3	629,156
4	407	SDWBA loan amortization expense	pages 7 & 8	-
5	408	Taxes other than income taxes	B-3	481,880
6	409	State corporate income tax expense	B-3	138,694
7	410	Federal corporate income tax expense	B-3	486,282
8		Total operating revenue deductions		5,765,432
9		Total utility operating income		2,038,597
OTHER INCOME AND DEDUCTIONS				
10	421	Non-utility income	B-5	(5,626)
11	426	Miscellaneous non-utility expense	B-5	(37,952)
12	427	Interest expense	B-6	(1,037,926)
13		Total other income and deductions		(1,081,504)
14		Net income		957,093

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
		WATER SERVICE REVENUES			
1	460	Unmetered water revenue			
2		460.1 Single - family residential	-	-	-
3		460.2 Commercial and multi-residential	-	-	-
4		460.3 Large water users	-	-	-
5		460.5 Safe Drinking Water Bond Surcharge	-	-	-
6		460.9 Other unmetered revenue	-	-	-
7		Sub-total	-	-	-
8	462	Fire protection revenue			
9		462.1 Public fire protection	24,555	24,747	(192)
10		462.2 Private fire protection			-
11		Sub-total	24,555	24,747	(192)
12	465	Irrigation revenue	336,505	410,835	(74,330)
13	470	Metered water revenue			
14		470.1 Single-family residential	4,024,782	3,970,702	54,080
15		470.2 Commercial and multi-residential	1,383,322	1,371,017	12,305
16		470.3 Large water users			-
17		470.5 Safe Drinking Water Bond Surcharge			-
18		470.9 Other metered revenue (Ind/ School)	185,065	178,898	6,167
19		Sub-total	5,593,169	5,520,617	72,552
	471	Water Revenue Accrual	1,818,804	(24,677)	1,843,481
	475	Non Potable Water Revenue	5,006	395	4,611
20		Total water service revenue	7,778,039	5,931,917	1,846,122
21	480	Other water revenue	25,990	27,335	(1,345)
22		Total operating revenues	7,804,029	5,959,252	1,844,777

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
		PLANT OPERATION AND MAINTENANCE EXPENSES			
		VOLUME RELATED EXPENSES			
1	610	Purchased water	-	-	-
2	615	Power	586,607	582,066	4,541
3	616	Other volume related expenses	5,894	5,454	440
4		Total volume related expenses	592,501	587,520	4,981
		NON-VOLUME RELATED EXPENSES			
5	630	Employee labor	582,875	549,383	33,492
6	640	Materials	81,929	68,935	12,994
7	650	Contract work	198,886	123,501	75,385
8	660	Transportation expenses	230,105	359,137	(129,032)
9	664	Other plant maintenance expenses	118,173	114,136	4,037
10		Total non-volume related expenses	1,211,968	1,215,092	(3,124)
11		Total plant operation and maintenance exp.	1,804,469	1,802,612	1,857
		ADMINISTRATIVE AND GENERAL EXPENSES			
12	670	Office salaries	611,155	545,146	66,009
13	671	Management salaries	226,801	225,269	1,532
14	674	Employee pensions and benefits	408,859	235,191	173,668
15	676	Uncollectible accounts expense	30,426	49,299	(18,873)
16	678	Office services and rentals	106,018	94,028	11,990
17	681	Office supplies and expenses	165,380	156,442	8,938
18	682	Professional services	269,493	210,739	58,754
19	684	Insurance	258,770	251,219	7,551
20	688	Regulatory commission expense	32,713	4,332	28,381
21	689	General expenses	115,336	86,820	28,516
22		Total administrative and general expenses	2,224,951	1,858,485	366,466
23	800	Expenses capitalized	-	-	-
24		Net administrative and general expense	2,224,951	1,858,485	366,466
25		Total operating expenses	4,029,420	3,661,097	368,323

SCHEDULE B-3
Account No. 408, 409, 410 - Taxes Charged During the Year

Line No.	Type of Tax (a)	Total Taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	147,928	147,928	-
2	State corporate franchise tax	138,694	138,694	-
3	State unemployment insurance tax	10,547	10,547	-
4	Other state and local taxes	221,805	221,805	-
5	Federal unemployment insurance tax	1,424	1,424	-
6	Federal insurance contributions act	100,176	100,176	-
7	Other federal taxes	-	-	-
8	Federal income taxes	486,282	486,282	-
9	Total	1,106,856	1,106,856	-

SCHEDULE B-4
Reconciliation of Reported Net Income for Federal Income Taxes

1 Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

2 If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax amount the group members.

3 Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 21	957,092
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4	Plus:	
5	Income Taxes PUC Basis	624,976
6	PUC Depreciation	629,156
7	Taxable CIAC	64,148
8	Non Deductible Expenses	25,214
9	Subtotal	2,300,586
10		
11	Less:	
12	Tax Depreciation	(700,728)
13	Additional Depreciation on CIAC Plant	(46,000)
14	Non Taxable Income	(4,112)
15	Taxable Main Extension Refunds	(16,792)
16	State Income Taxes	(71,897)
17	Estimated Taxable Income	1,461,057

Note: The 2010 corporate tax returns for Alco Water Service have not been filed at the time this annual report was filed. Therefore, some of the amounts reported in schedule B-4 are estimated and may be different than those reported in Alco's federal tax return. Additionally, for federal tax purposes, Alco has a NOL that may fully offset the above estimated taxable income.

Members of Consolidated Tax Group: Alco Water Service, Toro Water Service and California Utilities Service.

SCHEDULE B-5
Accounts No. 421 and 426 - Income from Nonutility Operations

Line No.	Description (a)	Revenue Acct. 421 (b)	Expense Acct. 426 (c)
1	Interest and Dividend Income	84	
2	Late Charge Income	12,516	
3	Reimbursed Expenses	27,864	
4	Other Income & Expenses - Prior Years	(59,233)	
5	Other Income and Deferred Tax Asset	554	
6	Miscellaneous Revenue - Taxable CIAC	12,589	
7	Miscellaneous Non-Utility Expense		37,952
8	Total	(5,626)	37,952

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	Short Term Interest	397,213
2	Long Term Interest	640,644
3	Customer Deposit Interest	69
4		
5		
6		
7		
8		
9		
10	Total	1,037,926

SCHEDULE C-1
Compensation of Individual Proprietor, Partners and Employees Included in Expenses

Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Charged to Expense (c)	Salaries Charged to Plant Accounts (d)	Total Salaries and Wages Paid (e)
1	630	Employee Labor	18	582,875	158,023	740,898
2	670	Office salaries	9	611,155	-	611,155
3	671	Management salaries	2	226,801	21,806	248,607
4						
5						
6		Total	29	1,420,831	179,829	1,600,660

SCHEDULE C-2
Loans to Directors, Officers, or Shareholders

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (e)	Security Given (f)	Date of Shareholder Authorization (g)	Other Information (h)
1.								
2.			N/A					
3.								
4.								
5.								
6.								
7.	Total							

SCHEDULE C-3
Engineering and Management Fees and Expenses, etc., During Year

Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.	
1.	Did the respondent have a contract or other agreement with any organization or person covering supervision and/or management of its own affairs during the year? Answer: Yes: _____ No: <u> X </u> (If the answer is in the affirmative, make appropriate replies to the following questions)*	
2.	Name of each organization or person that was a party to such a contract or agreement.	
3.	Date of original contract or agreement: _____	
4.	Date of each supplement or agreement: _____	
5.	Amount of compensation paid during the year for supervision or management: _____	\$ _____
6.	To whom paid: _____	
7.	Nature of payment (salary, traveling expenses, etc.): _____	
8.	Amounts paid for each class of service: _____	
9.	Basis for determination of such amounts: _____	
10.	Distribution of payments:	Amount
	(a) Charged to operating expenses	\$ _____
	(b) Charged to capital amounts	\$ _____
	(c) Charged to other account	\$ _____
	Total	\$ _____
11.	Distribution of charges to operating expenses by primary accounts: Number and Title of Account:	Amount
	_____	\$ _____
	_____	\$ _____
	Total	\$ _____
12.	What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
<p>* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.</p>		

SCHEDULE D-1									
Sources of Supply and Water Developed									
STREAMS					FLOW IN (Unit) ²			Annual Quantities Diverted (Unit) ²	Remarks
Line No.	Diverted Into *	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1									
2									
3		N/A							
4									
5									
WELLS						Pumping Capacity (Unit) ²	Annual Quantities Pumped (Unit) ²	Remarks	
Line No.	At Plant (Name or Number)	Location	No.	Dimensions	Depth to Water ¹				
6									
7		See Attachment 1							
8									
9									
10									
TUNNELS AND SPRINGS				FLOW IN (Unit) ²			Annual Quantities Pumped (Unit) ²	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum				
11									
12									
13		N/A							
14									
15									
Purchased Water for Resale									
16	Purchased from								
17	Annual Quantities purchased	N/A			(Unit chosen) ¹				
18									
19									
<p>* State ditch pipeline reservoir, etc., with name, if any.</p> <p>1 Average depth to water surface below ground surface</p> <p>2 The quantity unit in established use for experiencing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second. In gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.</p>									

SCHEDULE D-2					
Description of Storage Facilities					
Line No.	Type	No.	Combined Capacity (Gallons or Acre Feet)	Remarks	
1	A. Collecting reservoirs				
2	Concrete				
3	Earth				
4	Wood				
5	B. Distribution reservoirs				
6	Concrete				
7	Earth				
8	Wood				
9	C. Tanks				
10	Wood				
11	Metal				
12	Concrete	3	150,000	Gallons	
13	Total	3	150,000	Gallons	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume		N/A						
3	Lined conduit								
4									
5	Total								

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Continued)									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lined conduit		N/A						
9									
10	Total								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING										
Line No.	Description	1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast Iron									
12	Cast iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos			1,075		37,134	75,994	450	55,074	29,605
19	Welded steel									
20	Wood									
21	Other (Plastic)			322		-	8,443		80,541	58,367
22	Total	-	-	1,397	-	37,134	84,437	450	135,615	87,972

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - (Continued)										
Line No.	Description	10	12	14	16	18	20	Other Sizes		Total All Sizes
								24	30	
23	Cast Iron									-
24	Cast iron (cement lined)									-
25	Concrete									-
26	Copper									-
27	Riveted steel									-
28	Standard screw									-
29	Screw or welded casing									-
30	Cement - asbestos	2,540	16,003							217,875
31	Welded steel									-
32	Wood									-
33	Other (Plastic)	5,672	76,583		15,305	14,330		2,203	6,500	268,266
34	Total	8,212	92,586	-	15,305	14,330	-	2,203	6,500	486,141

**SCHEDULE D-4
Number of Active Service Connections**

Size	Metered - Dec 31		Flat Rate - Dec 31	
	Prior	Current	Prior	Current
	Year	Year	Year	Year
5/8 x 3/4 - in	3,240	3,340		
3/4 - in	722	692		
1 - in	2,908	2,919		
1 1/2 - in	1,640	1,654		
2 - in	169	173		
3 - in	34	35		
4 - in	15	16	85	85
6 - in	4	5	15	15
Other	2	2	5	5
Total	8,734	8,836	105	105

**SCHEDULE D-5
Number of Meters and Services on
Pipe Systems at End of Year**

Size	Meters	Services
5/8 x 3/4 - in	3,442	
3/4 - in	803	3,767
1 - in	2,943	3,328
1 1/2 - in	1,663	1,540
2 - in	173	183
3 - in	35	35
4 - in	16	111
6 - in	5	20
Other	2	7
Total	9,082	8,991

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:			
1. New, after being received . . .			
2. Used, before repair			
3. Used, after repair			
4. Found fast, requiring billing adjustment			
B. Number of Meters in Service Since Last Test			
1. Ten years or less		8,822	
2. More than 10, but less than 15 years		260	
3. More than 15 years			

**SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in 2010 (Unit Chosen- CCF):**

	During Current Year								Subtotal
	January	February	March	April	May	June	July		
Single-family residential	78,839	73,408	71,690	93,095	90,810	119,662	114,069		641,573
Commercial and Multi-residential	36,801	38,312	33,271	41,519	40,092	50,831	46,313		287,139
Large water users									-
Public authorities									-
Irrigation	1,087	1,393	1,004	2,306	4,887	11,682	14,577		36,936
Other (school/ Industrial)	2,368	1,502	1,716	2,394	2,352	3,483	4,812		18,627
Non-Potable	-	-	-	-	936	909	3,783		5,628
Total	119,095	114,615	107,681	139,314	139,077	186,567	183,554		989,903
	During Current Year							Total	Total
	August	September	October	November	December	Subtotal	Prior Year		
Single-family residential	126,871	120,073	112,127	93,427	81,179	533,677	1,175,250	1,241,360	
Commercial and Multi-residential	51,447	51,413	49,506	43,128	40,925	236,419	523,558	516,296	
Large water users						-	-	-	
Public authorities						-	-	-	
Irrigation	17,987	17,495	14,857	5,597	1,404	57,340	94,276	138,158	
Other (specify)	5,967	6,402	6,862	4,578	2,552	26,361	44,988	43,729	
Non-Potable	-	-	-	3,035	-	3,035	8,663	1,621	
Total	202,272	195,383	183,352	149,765	126,060	856,832	1,846,735	1,941,164	

¹ Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated: _____

Total population served: _____ 29,158

**SCHEDULE D-8
Status With State Board of Public Health**

1. Has the State or Local Health Department reviewed the sanitary condition of your water system during the past year?	No
2. Are you having routine laboratory tests made of water served to your consumers?	Yes
3. Do you have a permit from the State Board of Public Health for operation of your water system?	Yes
4. Date of permit:	9/9/1971
5. If permit is "temporary", what is the expiration date?	
6. If you do not hold a permit, has an application been made for such permit?	7. If so, on what date?

**SCHEDULE D-9
Statement of Material Financial Interest**

Use this space to report the information required by Section 2 of General Order No. 104-A. If no material financial interest existed during the year or contemplated at the end of the year, such fact shall be so stated. If additional space is required, attach a supplementary statement with reference made thereto.

No material financial interest existed between the utility and any director, nominee for election to director or officer there of or any person or other legal entity being the record owner or known by the utility to be the beneficial owner of securities having 10% or more voting power in the utility.

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent: N/A

Name: _____
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

2. Total surcharge collected from customers during the 12 month reporting period:

\$ _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch	_____	_____
1 inch	_____	_____
1 1/2 inch	_____	_____
2 inch	_____	_____
3 inch	_____	_____
4 inch	_____	_____
6 inch	_____	_____
Number of Flat Rate Customers	_____	_____
Total	_____	_____

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)**

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant		N/A			
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

FACILITIES FEES DATA

Class B: Please provide the following information relating to Facilities Fees for districts or subsidiaries serving 2,000 or fewer customers for the calendar year (per D.91-04-068).

Class C: Please provide the following information relating to Facilities Fees collected for the calendar year, pursuant to Resolution No. W-4110.

1. Trust Account Information: N/A

Bank Name: _____
 Address: _____
 Account Number: _____
 Date Opened: _____

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

NAME	AMOUNT
	\$
	\$
	\$
	\$

B. Residential

NAME	AMOUNT
	\$
	\$
	\$
	\$

3. Summary of the bank account activities showing:

Balance at beginning of year	\$
Deposits during the year	
Interest earned for calendar year	
Withdrawals from this account	
Balance at end of year	

4. Reason or Purpose of Withdrawal from this bank account:

DECLARATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned _____ Thomas R. Adcock, President
Officer, Partner, or Owner (Please Print)

of _____ Alisal Water Corporation dba Alco Water Service
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2010, through December 31, 2010.

President
Title (Please Print)

Thomas R. Adcock
Signature

(831) 424-0441
Telephone Number

31-Mar-10
Date

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WELLS				Depth to Water	Pumping Capacity (GPM)	Annual Quantities Pumped (MG)	Remarks
At Plant (Name or Number)	Location	Number	Dimension				
Alma Well	Alma Street, Salinas		16"/12"	118'	800	57.030	Lined
Bardin Well	Bardin Road, Salinas		16"	NA	NA	-	Drilled In 2007
Laurel Heights Well	St. Regis Way, Salinas		NA	NA	NA	-	
County Well	E. Laurel Drive, Salinas		14"	55'	2377	338.240	
Alisal High	Burke Street, Salinas		16"	136'	2106	293.500	
Las Casitas (Note 2)	Las Casitas Drive, Salinas		16"	123'	2371	4.740	Stand by Source
Santana	Garner Ave, Salinas		16"	125'	1333	156.630	
Boronda (Note 1)	Boronda Road, Salinas		16"	142'	1997	16.760	Stand by Source
Kilbreth	Kilbreth Avenue, Salinas		16"	181'	2876	605.600	
Verona Well (Note 3)	Verona Court, Salinas		16"	185'	2300	23.760	
Nogal Drive (Note 2)	Nogal Drive, Salinas		16"	145'	2031	0.800	Stand by Source

Note 1: Approximately 6.48 MG of water produced from this well was sold as non-potable water to Alco's non potable customer. The balance of the water produced by this source was for flushing and testing purposes. No water from this stand by source was put into the drinking water system.

Note 2: All water produced by these stand by sources was for flushing and testing purposes. No water from these stand by sources was put into the drinking water system.

Note3: As of December 31, 2010 Verona Well was not in service and awaiting CDPH approval for use. All water produced in 2010 was used for flushing and testing purposes. No water produced from this well was put into the drinking water system.