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**CLASS A
WATER UTILITIES**

**2002
ANNUAL REPORT
OF**

APPLE VALLEY RANCHOS WATER COMPANY

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

P.O. BOX #7005 APPLE VALLEY, CA 92307

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2002**

**REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2003
(FILE TWO COPIES IF THREE RECEIVED)**

INSRTUCTIONS

FOR PREPARATION OF

SELECTED FINANCIAL DATA SHEET

FOR CLASS A, B, C AND D, WATER UTILITIES

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

Please follow the instruction below:

1. Common plant allocated the water should the 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.

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711

PERSON RESPONSIBLE FOR THIS REPORT: LAWRENCE G. LEE

(Source: Information in 2001 ANNUAL REPORT)

BALANCE SHEET DATA		Jan. 1, 2002	Dec. 31, 2002	Average
1	Intangible Plant	273,443	273,443	273,443
2	Land	714,630	3,304,610	2,009,620
3	Depreciable Plant	40,849,468	43,878,218	42,363,843
4	Gross Plant In Service	41,837,541	47,456,271	44,646,906
5	Less: Accum. Depreciation	(10,212,400)	(11,162,586)	(10,687,493)
6	Net Water Plant In Service	31,625,140	36,293,685	33,959,413
7	Water Plant Held for Future Use			
8	Construction Work In Progress	2,432,930	299,355	1,366,143
9	Materials and Supplies	173,337	183,231	178,284
10	Less: Advances for Construction	(6,631,096)	(7,269,145)	(6,950,121)
11	Contrib. in Aid of Constr.	(1,493,534)	(1,449,652)	(1,471,593)
12	Accum. Deferred Inc. Tax Credits	(134,910)	(128,353)	(131,632)
13	Net Plant Investment	25,971,867	27,929,121	26,950,494
CAPITALIZATION				
14	Common Stock	3,750	3,750	3,750
15	Proprietary Capital (Ind. or Part.)	0	0	0
16	Paid-in Capital	5,862,976	5,862,976	5,862,976
17	Retained Earnings	15,585,329	17,889,697	16,737,513
18	Common Equity (14 through 17)	21,452,055	23,756,423	22,604,239
19	Preferred Stock	0	0	0
20	Long-term Debt	5,637,129	6,058,747	5,847,938
21	Notes Payable	0	0	0
22	Total Capitalization (Lines 18 through 21)	27,089,184	29,815,170	28,452,177

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711

INCOME STATEMENT

Annual Amount

23	Unmetered Water Revenue	0
24	Fire Protection Revenue	62,767
25	Irrigation Revenue	309,731
26	Metered Water Revenue	10,539,681
27	Total Operating Revenue	10,912,179
28	Total Operating Expenses	7,010,890
29	Depreciation Expense (Composite Rate 2.76%)	960,499
30	Amortization and Property Losses	0
31	Property Taxes	213,120
32	Taxes Other Than Income Taxes	130,102
33	Total Operating Revenue Deductions Before Taxes	8,314,611
34	California Corporate Franchise Tax	74,000
35	Federal Corporate Income Tax	(6,557)
36	Total Operating Revenue Deduction After Taxes	8,382,054
37	Net Operating Income (Loss) (California Water Operations)	2,530,125
38	Other Operating and Non-oper. Inc. & Exp.- Net (Exclude Interest Expense)	(2,029)
39	Income Available for Fixed Charges	2,528,096
40	Interest Expense	223,728
41	Net Income (Loss) Before Dividends	2,304,368
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	2,304,368

OTHER DATA

44	Refunds of Advances for Construction	204,391
45	Total Payroll Charged to Operating Expenses	1,710,151
46	Purchased Water (Account No. 610)	0
47	Power (Account No. 615)	1,268,802

Active Service Connections (Exclude Fire Protection)	Jan. 1	Dec. 31	Annual Average
49 Metered Service Connections	14,774	14,172	14,473
50 Flat Rate Service Connections	0	0	0
51 Total Active Service Connections	14,774	14,172	14,473

GENERAL INFORMATION

1. Name under which utility is doing business: APPLE VALLEY RANCHOS WATER COMPANY

2. Official mailing address: P.O. BOX 7005
APPLE VALLEY, CA 92307-7005

3. Name and title of person to whom correspondence should be addressed:
JACK CLARKE, VICE PRESIDENT & GENERAL MANAGER Telephone: (760) 247-6484

4. Address where accounting records are maintained: 21760 OTTAWA ROAD, APPLE VALLEY, CA 92308

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

6. Service Manager (If located in or near Service Area). Refer to district reports if applicable).
Name: JACK CLARKE
Address: SAME AS ABOVE Telephone: (760) 247-6484

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): APPLE VALLEY RANCHOS WATER COMPANY
Organized under laws of (state): California Date: 1947

Principal Officers:

HENRY H. WHEELER, PRESIDENT
CHAYRE M. WHEELER, SECRETARY
JACK CLARKE, VICE PRESIDENT AND GENERAL MANAGER
LEIGH K. JORDAN, CHIEF EXECUTIVE OFFICER

8. Names of associated companies: PARK WATER COMPANY (PARENT)
MOUNTAIN WATER COMPANY
SANTA PAULA WATER COMPANY
SICC

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:

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

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. UTILITY PLANT			
2	100	Utility plant	5	47,776,686	44,292,341
3	107	Utility plant adjustments		(61,134)	(52,645)
4		Total utility plant		47,715,552	44,239,696
5	250	Reserve for depreciation of utility plant	7	(11,162,586)	(10,212,400)
6	251	Reserve for amortization of limited term utility investments	7	0	0
8	252	Reserve for amortization of utility plant acquisition adjustment	7	0	0
9		Total utility plant reserves		(11,162,586)	(10,212,400)
10		Total utility plant less reserves		36,552,966	34,027,296
11					
12		II. INVESTMENT AND FUND ACCOUNTS			
13	110	Other physical property	6	303,271	303,271
14	253	Reserve for depreciation and amortization of other property	7	0	0
15		Other physical property less reserve		303,271	303,271
16	111	Investments in associated companies	9	0	0
17	112	Other investments	9	0	0
18	113	Sinking funds	9	0	0
19	114	Miscellaneous special funds	9	0	0
20		Total investments and fund accounts		303,271	303,271
21					
22		III. CURRENT AND ACCRUED ASSETS			
23	120	Cash		188,020	112,979
24	121	Special deposits	10	0	(2,500)
25	122	Working funds		1,000	1,000
26	123	Temporary cash investments		0	0
27	124	Notes receivable	10	0	0
28	125	Accounts receivable		628,530	649,998
29	126	Receivables from associated companies	10	1,652,412	1,652,412
30	131	Materials and supplies		183,231	173,337
31	132	Prepayments	10	160,525	126,531
32	133	Other current and accrued assets	10	0	0
33		Total current and accrued assets		2,813,718	2,713,757
34					
35		IV. DEFERRED DEBITS			
36	140	Unamortized debt discount and expense	11	0	0
37	141	Extraordinary property losses	12	0	0
38	142	Preliminary survey and investigation charges		233,587	116,153
39	143	Clearing accounts		0	0
40	145	Other work in progress		0	0
41	146	Other deferred debits	12	561,135	461,939
42		Total deferred debits		794,722	578,092
43		Total assets and other debits		40,464,677	37,622,416
44					
45					
46					
47					

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. CORPORATE CAPITAL AND SURPLUS			
2	200	Common capital stock	13	3,750	3,750
3	201	Preferred capital stock	13		
4	202	Stock liability for conversion			
5	203	Premiums and assessments on capital stock	13		
6	150	Discount on capital stock	12		
7	151	Capital stock expense	12		
8	270	Capital surplus	14	5,862,976	5,862,976
9	271	Earned surplus	14	17,889,697	15,585,329
10		Total corporate capital and surplus		23,756,423	21,452,055
17		III. LONG-TERM DEBT			
18	210	Bonds	15	0	0
19	211	Receivers' certificates			
20	212	Advances from associated companies	15	6,058,747	5,637,129
21	213	Miscellaneous long-term debt	15	0	0
22		Total long-term debt		6,058,747	5,637,129
24		IV. CURRENT AND ACCRUED LIABILITIES			
25	220	Notes payable	16	0	0
26	221	Notes receivable discounted			
27	222	Accounts payable		273,764	188,521
28	223	Payables to associated companies	16		500,000
29	224	Dividends declared		0	0
30	225	Matured long-term debt			
31	226	Matured interest		69,637	77,682
32	227	Customers' deposits		118,256	116,057
33	228	Taxes accrued	17	2,347	2,677
34	229	Interest accrued		599,553	536,085
35	230	Other current and accrued liabilities	16		
36		Total current and accrued liabilities		1,063,557	1,421,022
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	11		
40	241	Advances for construction	18	7,269,145	6,631,096
41	242	Other deferred credits	18	867,153	987,580
42		Total deferred credits		8,136,298	7,618,676
43		VI. RESERVES			
44	254	Reserve for uncollectible accounts	18		
45	255	Insurance reserve	18		
46	256	Injuries and damages reserve	18		
47	257	Employees' provident reserve	18		
48	258	Other reserves	18		
49		Total reserves			
52		VII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	19	1,449,652	1,493,534
54		Total liabilities and other credits		40,464,677	37,622,416
55					
56					
57					

SCHEDULE B
Income Account for the Year

Line No.	Acct. No.	Account (a)	Schedule Page No. (b)	Amount (c)
1		I. UTILITY OPERATING INCOME		
2	501	Operating revenues	19-20	10,912,179
3				
4		Operating revenue deductions:		
5	502	Operating expenses	20-22	7,010,890
6	503	Depreciation	7	960,499
7	504	Amortization of limited-term utility investments	7	0
8	505	Amortization of utility plant acquisition adjustments	7	0
9	506	Property losses chargeable to operations	23	0
			23	410,665
10	507	Taxes		
				<u>8,382,054</u>
11		Total operating revenue deductions		2,530,125
12		Net operating revenues		0
13	508	Income from utility plant leased to others		0
14	510	Rent for lease of utility plant		<u>2,530,125</u>
15		Total utility operating income		
16				
17		II. OTHER INCOME		
18	521	Income from non-utility operations (Net)	25	0
19	522	Revenues from lease of other physical prop.		
20	523	Dividend revenues		
21	524	Interest revenues		
22	525	Revenues from sinking and other funds	25	31,761
23	526	Miscellaneous non-operating revenues	25	(9,299)
24	527	Non-operating revenue deductions (Dr.)		<u>22,462</u>
25		Total other income		2,552,587
26		Gross income		
27				
28		III. INCOME DEDUCTIONS		
29	530	Interest on long-term debt	11	0
30	531	Amortization of debt discount and expense	11	0
31	532	Amortization of premium on debt-Cr.		
32	533	Taxes assumed on interest		218,970
33	534	Interest on debt to associated companies	25	4,758
34	535	Other interest charges		
35	536	Interest charged to construction-Cr.		
36	537	Miscellaneous amortization	25	24,491
37	538	Miscellaneous income deductions		<u>248,219</u>
38		Total income deductions		2,304,368
39		Net income		
40				
41		IV. DISPOSITION OF NET INCOME		
42	540	Miscellaneous reservations of net income		
43				
44		Balance transferred to Earned Surplus or Proprietary Accounts scheduled on page 14		2,304,368
45				
46				
47				
48				

SCHEDULE A-1							
Account No. 100-Utility Plant							
Line No.	Acct. No.	Account	Balance Beginning of Year	Plant Additions During Year	Plant Retirements During Year	Other Debits or (Credits)	Balance End of Year
1	100-1	Utility plant in service (Schedule A-1a)	41,837,541	5,843,865	225,135	0	47,456,271
2	100-2	Utility plant leased to others					299,355
3	100-3	Construction work in progress	2,432,930	(2,133,575)			
4	100-4	Utility plant held for future use (Sch. A-1c)					21,060
5	100-5	Utility plant acquisition adjustments	21,870		XXXXXXX	(810)	
6	100-6	Utility plant in process of reclassification				(810)	
7		Total utility plant	44,292,341	3,710,290	225,135	(810)	47,776,686
SCHEDULE A-1a							
Account No. 100-1-Utility Plant in Service							
Line No.	Acct No.	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)
8		I. INTANGIBLE PLANT					271,976
9	301	Organization	271,976				0
10	302	Franchises and consents (Schedule A-1b)	0				1,467
11	303	Other intangible plant	1,467				
12		Total intangible plant	273,443	0	0	0	273,443
13		II. LANDED CAPITAL					3,304,610
14	306	Land and land rights	714,630	2,589,980			
15		III. SOURCE OF SUPPLY PLANT					49,998
16	311	Structures and improvements	49,998				0
17	312	Collecting and impounding reservoirs	0				0
18	313	Lake, river and other intakes	0				0
19	314	Springs and tunnels	0				1,767,126
20	315	Wells	1,735,130	31,996			0
21	316	Supply mains	0				134,842
22	317	Other source of supply plant	134,842	0			
23		Total source of supply plant	1,919,969	31,996	0	0	1,951,965
24		IV. PUMPING PLANT	0				585,633
25	321	Structures and improvements	516,432	69,201			0
26	322	Boiler plant equipment	0				0
27	323	Other power production equipment	0				2,165,304
28	324	Pumping equipment	1,995,599	227,005	57,300		0
29	325	Other pumping plant	0				
30		Total pumping plant	2,512,031	296,206	57,300	0	2,750,937
31		V. WATER TREATMENT PLANT	0				500,210
32	332	Water treatment equipment	209,866	292,081	1,737		
33		Total water treatment plant	209,866	292,081	1,737	0	500,210
34		VI. TRANSMISSION AND DIST. PLANT	0				0
35	341	Structures and improvements	0				1,633,824
36	342	Reservoirs and tanks	1,633,824				24,262,656
37	343	Transmission and distribution mains	22,645,744	1,649,406	32,494		0
38	344	Fire mains	0				4,125,585
39	345	Services	3,809,323	334,869	18,607		1,448,880
40	346	Meters	1,413,151	94,828	59,099		(11,418)
41	347	Meter installations	(11,418)				3,508,584
42	348	Hydrants	3,185,918	349,296	26,630		1,575
43	349	Other transmission and distribution plant	0	1,575			
44		Total transmission and distribution plant	32,676,542	2,429,974	136,830	0	34,969,686

SCHEDULE A-1a
Account No. 100-1--Utility Plant in Service--Concluded

Line No.	Acct. No.	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		VII. GENERAL PLANT				0	992,727
2	371	Structures and improvements	979,197	13,530			388,852
3	372	Office furniture and equipment	332,441	73,247	16,836		582,862
4	373	Transportation equipment	533,374	49,488			0
5	374	Stores equipment	0				887
6	375	Laboratory equipment	887				344,557
7	376	Communication equipment	332,306	12,251			940,214
8	377	Power operated equipment	897,490	54,724	12,000		79,156
9	378	Tools, shop and garage equipment	79,200	388	432	0	0
10	379	Other general plant	0				0
		Total general plant	3,154,896	203,628	29,268	0	3,329,256
11		VIII. UNDISTRIBUTED ITEMS					376,164
12		Other tangible property	376,164				
13	390	Utility plant purchased					
14	391	Utility plant sold					
15	392	Utility plant sold					
18		Total undistributed items	376,164	0	0	0	376,164
17		Total utility plant in service	41,837,541	5,843,865	225,135	0	47,456,271

(1) The computer equipment is included with the office furniture & equipment.

SCHEDULE A-1b
Account No. 302-Franchises and Consents

Line No.	Name of Original Grantor (a)	Date of Grant (b)	Term in Years (c)	Date of Acquisition by Utility (d)	Amount at Which Carried in Account 1 (e)
18	NONE				0
19					0
20					
21					0
22	Total	XXXXX	XXXXXX	XXXXXX	

1The total should agree with the balance at the end of the year in Account No. 302 Schedule A-12.

SCHEDULE A-1c
Account No. 100-4 - Utility 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 (d)	Balance End of Year (e)
23	NONE			
24				
25				
26				
27	Total	XXXXX	XXXXXX	

SCHEDULE A-2
Account No. 110-Other Physical Property

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
28	LAND	303,271
29		
30		
31		
32		
33	Total	303,271

SCHEDULE A-3

Account Nos. 250 to 253, Inclusive-Depreciation and Amortization Reserves

Line No.	Item (a)	Account 250 Utility Plant (b)	Account 251 Limited-Term Utility Investments (c)	Account 252 Utility Plant Acquisition Adjustments (d)	Account 253 Other Property (e)
1	Balance in reserves at beginning of year	10,212,400	0	0	0
2	Add: Credits to reserves during year				
3	(a) Charged to account No.503(Footnote1)	960,499			
4	(b) Charged to account No. 265	99,968			
5	(c) Charged to clearing accounts	110,088			
6	(d) Salvage recovered	8,302			
7	(e) All other credits				
8	Total credits	1,178,857	0	0	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	225,135			
11	(b) Cost of removal	3,536			
12	(b) All other debits				
13	Total debits	228,671	0	0	0
14	Balance in reserve at end of year	11,162,586	0	0	0

(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE: 2.76%

TOTAL CREDITS

(3) EXPLANATION OF ALL OTHER DEBITS;

TOTAL DEBITS

(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:

- (a) Straight line
- (b) Liberalized
- (1) Sum of year digits
- (2) Double declining balance
- (3) Other
- (c) Both straight line and liberalized

SCHEDULE A-3a
ANALYSIS OF ENTRIES IN DEPRECIATION RESERVE--ACCOUNT NO. 250
(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

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 Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1		I. SOURCE OF SUPPLY PLANT					32,652
2	311	Structures and improvements	30,871	1,780			
3	312	Collecting and impounding reservoirs					
4	313	Lake, river and other intakes					
5	314	Springs and tunnels					680,186
6	315	Wells	636,357	43,829			
7	316	Supply mains					10,433
8	317	Other source of supply plant	7,372	3,061			
9		Total source of supply plant	674,600	48,671	0	0	723,271
10		II. PUMPING PLANT					121,416
11	321	Structures and improvements	103,177	18,239			
12	322	Boiler plant equipment					
13	323	Other power production equipment					0
14	324	Pumping equipment	0				497,437
15	325	Other pumping plant	488,679	66,058	57,300		
16		Total pumping plant	591,856	84,297	57,300	0	618,853
17		III. WATER TREATMENT PLANT					
18	331	Structures and improvements					31,833
19	332	Water treatment equipment	21,286	12,284	1,737		
20		Total water treatment plant	21,286	12,284	1,737	0	31,833
21		IV. TRANS. AND DIST. PLANT					
22	341	Structures and improvements					395,746
23	342	Reservoirs and tanks	363,544	32,202			
24	343	Transmission and distribution mains	5,993,724	556,620	32,494	(3,121)	6,514,729
25	344	Fire mains	0				0
26	345	Services	738,557	99,571	18,607	(414)	819,107
27	346	Meters	(21,022)	36,555	59,099	3,340	(40,226)
28	347	Meter installations	0				0
29	348	Hydrants	586,782	76,983	26,630	4,961	642,096
30	349	Other transmission and distribution plant	0				0
31		Total trans. and distribution plant	7,661,585	801,931	136,830	4,766	8,331,452
32		V. GENERAL PLANT					203,659
33	371	Structures and improvements	174,475	29,184			
34	372	Office furniture and equipment	183,254	42,840	16,836		209,258
35	373	Transportation equipment	489,467	66,192			555,659
36	374	Stores equipment	0				0
37	375	Laboratory equipment	491	56		0	547
38	376	Communication equipment	187,675	26,157			213,832
39	377	Power operated equipment	179,507	38,867	12,000		206,374
40	378	Tools, shop and garage equipment	25,634	5,029	432		30,231
41	379	Other general plant					37,617
42	390	Other tangible property	22,570	15,047			
43	391	Water plant purchased					
44		Total general plant	1,263,074	223,372	29,268	0	1,457,178
45			0				0
46			0				0
47		Total	10,212,400	1,170,555	225,135	4,766	11,162,586

SCHEDULE A-4
Account No. 111-Investments in Associated Companies

Line No.	Class of Security (a)	Name of Issuing Company (b)	Par Value End of Year (c)	Ledger Value End of Year1 (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest and Dividends Rec'd During Year (g)
1							
2							
3							
4	NONE						
5							
6							
7							
8							
9							
10							
11							
12		Totals					

1. The total should agree with the balance at the end of the year in Account No. 111 on page 2

SCHEDULE A-5
Account No. 112-Other Investments

Line No.	Name and Description of Property (a)	Balance End of Year (b)
9		
10		
11		
12	NONE	
13		
14		
15		
16	Totals	

SCHEDULE A-6
Account No. 113-Sinking Funds

Line No.	Name of Fund (a)	Balance Beg. of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
17						
18						
19						
20						
21	NONE					
22						
23						
24						
25	Totals					

SCHEDULE A-7
Account No. 114-Miscellaneous Special Funds

Line No.	Name of Fund (a)	Balance Beg. of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
26		0			0	0
27						
28						
29						
30						
31						
32						
33	Totals	0	0		0	0

SCHEDULE A-8
Account No. 121-Special Deposits

Name of Depository (a)	Purpose of Deposit (b)	Balance End of Year (c)
		TOTAL _____ 0

SCHEDULE A-9
Account No. 124-Notes Receivable

Maker (a)	Date of Issue (b)	Date Payable (c)	Balance End of Year (d)	Interest Rate (e)	Interest Accrued During Year (f)	Interest Received During Year (g)
NONE			0			
TOTALS _____						

SCHEDULE A-10
Account No. 126-Receivables from Associated Companies

Due from Whom (a)	Amount (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Received During Year (e)
PARK WATER COMPANY	1,652,412	0	0	0
TOTALS _____		1,652,412	0	0

SCHEDULE A-11
Account No. 132-Prepayments

Item (a)	Amount (b)
INSURANCE	43,410
TAXES	109,237
POSTAGE	122
OTHER	7,756
TOTALS _____	
	160,525

SCHEDULE A-12
Account No. 133-Other Current and Accrued Assets

Item (a)	Amount (b)
NONE	
TOTALS _____	

SCHEDULE A-13

Accounts Nos. 140 and 240-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 of 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 unamortized 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 indisposed amounts applicable to issues which were redeemed in prior years.
 7. Explain any debits and credits other than amortization debited to Account 531, Amortization of Debt Discount and Expense, or credited to Account 532, Amortization of Premium on Debt-Credit.

Line No.	Designation of long-term debt (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 (e)		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From-	To-				
1	NONE								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
TOTALS									
						0	0	0	0

SCHEDULE A-14
Account 141-Extraordinary Property Losses

Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	WRITTEN OFF DURING YEAR		Balance End of year (f)
				Account Charged (d)	Amount (e)	
1	NONE					
2						
3						
4						
5						
6		Total				

SCHEDULE A-15
Account No. 146-Other Deferred Debits

Line No.	Item (a)	Balance End of year (b)
9	RATE CASE	175,000
10	CATASTROPHIC ILLNESS	40,098
11	PAID TIME OFF	138,939
12	SPLIT DOLLAR LIFE INSURANCE	27,027
13	REGULATORY ACCOUNTS	179,999
14	MISCELLANEOUS DEFERRED DEBITS	72
15		Total 561,135

SCHEDULE A-16
Account 150-Discount on Capital Stock

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off during the year and specify the amount charged.

2. If any change occurred during the year in the balance with respect

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
16	NONE	
17		
18		
19		
20		
21		
22		
23		
24		
25		Total

SCHEDULE A-17
Account 151 Capital Stock Expense

1. Report the balance at end of year of capital stock expense for each class and series of capital stock. to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

2. If any change occurred during the year in the balance with respect

Line No.	Class and Series of Stock (a)	Balance End of year (b)
25	NONE	
26		
27		
28		
29		
30		
31		
32		
33		
34		Total

SCHEDULE A-18
Accounts Nos. 200 and 201-Capital Stock

Line No.	Class of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	Par Value of Stock Authorized by Articles of Incorporation (c)	Number of Shares Outstanding 1 (d)	Total Par Value ² Outstanding End of Year (e)	Dividends Declared During Year	
						Rate (f)	Amount (g)
1	COMMON STOCK	1,000	50	75	3,750		0
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12	Totals	1,000		75	\$3,750.00		\$0.00

1. After deduction for amount of reacquired stock held by or for the respondent.
2. If shares of stock have no par value, show value assigned to stock outstanding.

SCHEDULE A-18a
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number Shares (b)	PREFERRED STOCK	Number Shares (d)
	Name (a)		Name (c)	
13	PARK WATER COMPANY	75		
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36	Total number of shares	75	Total number of shares	0

SCHEDULE A-19
Account 203-Premiums and Assessments on Capital Stock

Line No.	Class of Stock (a)	End of Yr. (b)
37	NONE	
38		
39		
40		
41		
42		
43	Total	

SCHEDULE A-20 Account No. 270--Capital Surplus (For use by Corporations only)			
Line No.	Item (a)		Amount (b)
1	Balance beginning of year		5,862,976
2	CREDITS (Give nature of each credit and state account charged)		
3			
4			
5			
6	DEBITS (Give nature of each debit and state account credited)		
7			
8			
9			
10	Balance end of year		5,862,976
SCHEDULE A-21 Account No. 271--Earned Surplus (For use by Corporations only)			
Line No.	Acct. No.	Account (a)	Amount (b)
11		Balance beginning of year	15,585,329
12		CREDITS	
13	400	Credit balance transferred from income account	2,304,368
14	401	Miscellaneous credits to surplus (detail)	
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	2,304,368
18		DEBITS	
19	410	Debit balance transferred from income account	
20	411	Dividend appropriations--preferred stock	
21	412	Dividend appropriations--Common stock	
22	413	Miscellaneous reservations of surplus (detail)	
23			
24			
25	414	Miscellaneous debits to surplus (detail)	
26		Total debits	0
27			
28		Balance end of year	17,889,697
SCHEDULE A-22 Account No. 204--Proprietary Capital (sole Proprietor or Partnership)			
Line No.	Item (a)	Amount (b)	
29	Balance beginning of year		
30	CREDITS		
31	Net income for year	NONE	
32	Additional investments during year		
33	Other credits (detail)		
34			
35	Total credits		
36	DEBITS		
37	Net loss for year		
38	Withdrawals during year		
39	Other debits (detail)		
40			
41	Total debits		
42	Balance end of year	NONE	
SCHEDULE A-23 Account No. 205--Undistributed Profits of Proprietorship or Partnership (The use of this account is optional)			
Line No.	Item (a)	Amount (b)	
43	Balance beginning of year		
44	CREDITS		
45	Net income for year	NONE	
46	Other Credits (detail)		
47			
48	Total credits		
49	DEBITS		
50	Net loss for year		
51	Withdrawals during year		
52	Other debits (detail)		
53			
54			
55	Total debits		
56	Balance end of year	NONE	

SCHEDULE A-28
Account No. 220-Notes Payable

Line No.	In Favor of (a)	Date of Issue (b)	Date of Maturity (c)	Balance End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest Paid During Year (g)
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16				0.00		0.00	0.00

SCHEDULE A-29
Account No. 223-Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32		0		0	0

SCHEDULE A-30
Account No. 230-Other Current and Accrued Liabilities

Line No.	Description (a)	Balance End of Year (b)
33		
34	ACCRUED PAID TIME OFF	138,939
35	FRANCHISE FEE	108,691
36	ACCRUED PAYROLL	87,265
37	ACCRUED CATASTROPHIC ILLNESS	40,098
38	REPLENISHMENT CHARGES (INCLUDES MAKE-UP ASSESSMENTS)	128,378
39	CALIFORNIA PUC SURCHARGE	40,505
40	POST RETIREMENT BENEFITS OTHER THAN PENSION	53,607
41	MISCELLANEOUS	2,070
42		
43		
44		
45		
46		
48		
	Total	599,553

SCHEDULE A-31

Account No. 228-Accrued and Prepaid Taxes

1. This schedule is intended to give particulars of the combined prepaid and accrued tax accounts and to show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the material on which the tax was levied was charged.
 2. Taxes, paid during the year and charged direct to final accounts, that is, not charged to prepaid or accrued taxes, should be included in the schedule. Enter the amounts both in columns (d) and (e). The balancing of the schedule is not affected by the inclusion of these taxes.
 3. Taxes charged during the year, column (d), include taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to prepaid taxes for proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
 4. If any tax covers more than 1 year, the required information of all columns should be shown separately for each year.
 5. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
 6. See schedule entitled "TAXES CHARGED DURING YEAR," page 23, for a distribution of taxes charged, column (d) according to utility departments and accounts.
 7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (See instruction 5) (e)	BALANCE BEGINNING OF YEAR		Dr (Cr) Taxes Charged During Year (d)	Dr (Cr) Paid During Year (e)	Adjustments (f)	BALANCE END OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)				Taxes Accrued (Account 228) (g)	Prepaid Taxes (Incl. in Acct. 132) (h)
1	Taxes on real and personal property	104,946	105,894	213,120	208,829		109,237	109,237
2	State corporation franchise tax (1)	0	0	74,000	74,000		0	0
3	State unemployment insurance tax	0	0	3,581	3,036		545	0
4	Other state and local taxes	6,613	0	6,186	10,890		1,909	0
5	Federal unemployment insurance tax	0	0	2,051	2,035		16	0
6	Federal ins. constr. act. (old age retire.)	4,498	0	136,943	134,892		6,549	0
7	Other federal taxes	0	0	0	0		0	0
8	Federal income taxes (1)	0	0	(6,557)	(6,557)		0	0
9	Deferred Income Taxes							
10								
11								
12								
13								
14								
15								
16								
17	(1) Income taxes are paid by Park Water Division.							
18								
25	Total	116,057	105,894	429,324	427,125	0	118,256	109,237

SCHEDULE A-32
Account No. 241-Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXX	6,631,096
2	Additions during year	XXXXXXXXXX	842,440
3	Subtotal-beginning balance plus additions during year	XXXXXXXXXX	7,473,536
4	Charges during year:	XXXXXXXXXX	XXXXXXXXXXXX
5	Refunds	XXXXXXXXXX	XXXXXXXXXXXX
6	Percentage of revenue basis	381	XXXXXXXXXXXX
7	Proportionate cost basis	204,010	XXXXXXXXXXXX
8	Escheat to state		XXXXXXXXXXXX
9	Total refunds	204,391	XXXXXXXXXXXX
10		XXXXXXXXXX	XXXXXXXXXXXX
11	Unclaimed refunds		
12	Reissue unclaimed refunds	_____	
13	Total	0	
14	Securities exchanged for contracts (enter detail below)		0
15	Subtotal-Charges during year		204,391
16	Balance end of year	XXXXXXXXXX	7,269,145

SCHEDULE A-33
Account No. 242-Other Deferred Credits

Line No.	(a)	Balance End of Year (b)
26	DEFERRED WORK ORDER DEPOSITS	61,856
27	DEFERRED REVENUE -CONTRIBUTIONS	3,724
28	BALANCING/MEMORANDUM ACCOUNTS	394,561
29	DEFERRED INVESTMENT TAX CREDITS	128,353
30	REGULATORY LIABILITY - INCOME TAXES RELATED	244,191
31	PENSION FUND DISCLOSURE	34,468
32		
33	Total	867,153

SCHEDULE A-34
Accounts Nos. 254 to 258, Inclusive-Miscellaneous Reserves

Line No.	Account (a)	Balance Beginning of Year (b)	Nature of Items (c)	DEBITS Amount (d)	Account Charged (e)	CREDITS Amount (f)	Balance End of Year (g)
34	NONE						
35							
36							
37							
38							
39							
40							
41	Totals						

SCHEDULE A-35
Account No. 265-Contributions in Aid of Construction

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization		
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 (e)	Depreciation Accrued through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)	
			Depreciable (c)	Non-Depreciable (d)			
1	Balance beginning of year	1,493,534	1,473,395	20,139		0	0
2	Add: Credits to account during year	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
3	Contributions received during year	56,086	56,086	0			
4	Other credits*	0					
5	Total credits	56,086	56,086	0			
6	Deduct: Debits to account during year	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
7	Depreciation charges for year	99,968	99,968	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
8	Non-depreciable donated property retired		XXXXXXXXXX		XXXXXXXXXX	XXXXXXXXXX	
9	Other debits*	0					
10	Total debits	99,968	99,968	0		0	0
11	Balance end of year	1,449,652	1,429,513	20,139		0	0

SCHEDULE B-1
Account No. 501-Operating Revenues

Line No.	Acct. No.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Changes During Year Show Decrease in (Brackets) (d)
18		I. WATER SERVICE REVENUES			
19	601	Metered sales to general customers			
29	601.1	Commercial sales	9,987,343	9,442,209	545,134
21	601.2	Industrial sales	2,756	2,533	223
22	601.3	Sales to public authorities	527,675	533,450	(5,775)
23		Sub-total	10,517,774	9,978,192	539,582
24	602	Unmetered sales to general customers			
25	602.1	Commercial sales			0
26	602.2	Industrial sales	0	0	0
27	602.3	Sales to public authorities	0	0	0
28		Sub-total	0	0	0
29	603	Sales to irrigation customers			
30	603.1	Metered sales	309,731	357,681	(47,950)
31	603.2	Unmetered sales	0	0	0
32		Sub-total	309,731	357,681	(47,950)
33	604	Private fire protection service	62,767	58,883	3,884
34	605	Public fire protection service			
35	606	Sales to other water utilities for resale			
36	607	Sales to governmental agencies by contracts			
37	608	Interdepartmental sales			
38	609	Balancing Revenue Account	(4,196)	310,118	(314,314)
39		Sub-total	58,571	369,001	(310,430)
40		Total water service revenues	10,886,076	10,704,874	181,202

SCHEDULE B-1
Account No. 501-Operating Revenues-Concluded

Line No.	Acct. No.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Changes During Year Show Decrease in (Brackets) (d)
		FWD FROM PAGE 19	10,886,076	10,704,874	181,202
1		II. OTHER WATER REVENUES			
2	611	Miscellaneous service revenues	25,837	27,033	(1,196)
3	612	Rent from water property			
4	613	Interdepartmental rents			
5	614	Other water revenues	266	261	5
6		Total other water revenues	26,103	27,294	(1,191)
7	501	Total operating revenues	10,912,179	10,732,168	180,011

SCHEDULE B-1a
Operating Revenues Apportioned to Cities and Towns

Line No.	Location (a)	Operating Revenues (b)
8	Operations not within incorporated cities (1)	
9	Regulatory balancing account	(4,196)
10		
11		
19	Operations within incorporated territory	
20	City or town of APPLE VALLEY	10,892,965
21	City or town of VICTORVILLE	23,410
22	City or town of	
23	City or town of	
24	City or town of	
25	City or town of	
26		
27		
32		
33		
	Total	10,912,179

1. Should be segregated to operating districts.

SCHEDULE B-2
Account No. 502 - Operating Expenses - Class A, B, and C Water Utilities
Respondent should use the group of accounts applicable to its class

Line No.	Acct. No.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
33		I. SOURCE OF SUPPLY EXPENSE						
34		Operation						
35	701	Operation supervision and engineering	A	B		12,926	10,002	2,924
36	701	Operation supervision, labor and expenses			C			
37	702	Operation labor and expenses	A	B				
38	703	Miscellaneous expenses	A			490,931	319,359	171,572
39	704	Purchased water	A	B	C			0

SCHEDULE B-2
Account No. 502 - Operating Expenses - Class A, B, and C Water Utilities (Continued)

Line No.	Acct. No.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
1		Maintenance						
2	706	Maintenance supervision and engineering	A	B				0
3	706	Maintenance of structures and facilities			C			0
4	707	Maintenance of structures and improvements	A	B				0
5	708	Maintenance of collect and impound reservoirs	A					0
6	708	Maintenance of source of supply facilities		B				0
7	709	Maintenance of lake, river and other intakes	A					0
8	710	Maintenance of springs and tunnels	A					0
9	711	Maintenance of wells	A			7,428	1,235	6,193
10	712	Maintenance of supply mains	A					0
11	713	Maintenance of other source of supply plant	A	B		94	16	78
12		Total source of supply expense				511,379	330,612	6,271
13		II. PUMPING EXPENSES						
14		Operation						
15	721	Operation supervision and engineering	A	B				0
16	721	Operation supervision labor and expenses			C			0
17	722	Power production labor and expenses	A					0
18	722	Power production labor, expenses and fuel		B				0
19	723	Fuel for power production	A					0
20	724	Pumping labor and expenses	A	B		110,522	102,927	7,595
21	725	Miscellaneous expenses	A			75,274	40,133	35,141
22	726	Fuel or power purchased for pumping	A	B	C	1,268,802	1,105,885	162,917
23		Maintenance						
24	729	Maintenance supervision and engineering	A	B				0
25	729	Maintenance of structures and equipment			C			0
26	730	Maintenance of structures and improvements	A	B		36,337	15,927	20,410
27	731	Maintenance of power production equipment	A	B				0
28	732	Maintenance of pumping equipment	A	B		249,844	108,600	141,244
29	733	Maintenance of other pumping plant	A	B				0
30		Total pumping expenses				1,740,779	1,373,472	367,307
31		III. WATER TREATMENT EXPENSES						
32		Operation						
33	741	Operation supervision and engineering	A	B				0
34	741	Operation supervision, labor and expenses			C			0
35	742	Operation labor and expenses	A			127,132	79,716	47,416
36	743	Miscellaneous expenses	A	B		885	135	750
37	744	Chemicals and filtering materials	A	B		23,855	20,321	3,534
38		Maintenance						
39	746	Maintenance supervision and engineering	A	B		0	0	0
40	746	Maintenance of structures and equipment			C			0
41	747	Maintenance of structures and improvements	A	B		4,512	3,323	1,189
42	748	Maintenance of water treatment equipment	A	B		11,157	14,539	(3,382)
43		Total water treatment expense				167,541	118,034	49,507
44		IV. TRANS. AND DISTRIB. EXPENSES						
45		Operation						
46	751	Operation supervision and engineering	A	B		103,246	97,798	5,448
47	751	Operation supervision, labor and expenses			C			0
48	752	Storage facilities expenses	A			33,575	36,368	(2,793)
49	752	Operation labor and expenses		B				0
50	753	Transmission and distribution lines expenses	A			111,201	112,700	(1,499)
51	754	Meter expenses	A			21,505	8,886	12,619
52	755	Customer installations expenses	A			53,772	49,541	4,231
53	756	Miscellaneous expenses	A			30,833	29,189	1,644

SCHEDULE B-2
Account No. 502 - Operating Expenses - Class A, B, and C Water Utilities (Concluded)

Line No.	Acct. No.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (b)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
1		Maintenance						
2	758	Maintenance supervision and engineering	A	B				0
3	758	Maintenance of structures and plant			C			0
4	759	Maintenance of structures and improvements	A	B				0
5	760	Maintenance of reservoirs and tanks	A	B		216	765	(549)
6	761	Maintenance of trans. and distribution mains	A			373,826	448,665	(74,839)
7	761	Maintenance of mains		B				0
8	762	Maintenance of fire mains	A			1,184		1,184
9	763	Maintenance of services	A			65,531	79,841	(14,310)
10	763	Maintenance of other trans. and distribution plant		B				0
11	764	Maintenance of meters	A			19,012	23,331	(4,319)
12	765	Maintenance of hydrants	A			24,263	19,433	4,830
13	766	Maintenance of miscellaneous plant	A			7,773	8,413	(640)
14		Total transmission and distribution expenses				845,937	914,930	(68,993)
15		V. CUSTOMER ACCOUNT EXPENSES						
16		Operation						
17	771	Supervision	A	B		36,583	29,563	7,020
18	771	Superv., meter read., other cust. acct. expenses			C			0
19	772	Meter reading expenses	A	B		50,275	44,458	5,817
20	773	Customer records and collection expenses	A			235,773	216,697	19,076
21	773	Customer records and accounts expenses		B				0
22	774	Misc. customer accounts expenses	A			5,569	4,131	1,438
23	775	Uncollectible accounts	A	B	C	20,776	40,678	(19,902)
24		Total customer account expenses				348,976	335,527	13,449
25		VI. SALES EXPENSES						
26		Operation						
27	781	Supervision	A					0
28	781	Sales expenses		B	C			0
29	782	Demonstrating and selling expenses	A			16,626	15,986	640
30	783	Advertising expenses	A					0
31	784	Miscellaneous sales expenses	A					0
32	785	Merchandising, jobbing and contract work	A					0
33		Total sales expenses				16,626	15,986	640
34		VII. ADMIN. AND GENERAL EXPENSES						
35		Operation						
36	791	Administrative and general salaries	A	B	C	461,430	369,544	91,886
37	792	Office supplies and other expenses	A	B	C	169,969	160,633	9,336
38	793	Property insurance	A			958	1,663	(705)
39	793	Property insurance, injuries and damages		B	C			0
40	794	Injuries and damages	A			387,626	302,729	84,897
41	795	Employees' pensions and benefits	A	B	C	681,670	576,240	105,430
42	796	Franchise requirements	A	B	C	109,697	103,813	5,884
43	797	Regulatory commission expenses	A	B	C	88,417	44,592	43,825
44	798	Outside services employed	A			56,037	81,983	(25,946)
45	798	Miscellaneous other general expenses		B				0
46	798	Miscellaneous other general operation expenses			C			0
47	799	Miscellaneous general expenses	A			33,607	41,770	(8,163)
48		Main office allocation				1,113,723	957,190	156,533
49	805	Maintenance of general plant	A	B	C	122,168	154,625	(32,457)
50		Total administrative and general expenses				3,225,302	2,794,782	430,520
51		VIII. MISCELLANEOUS						
52	811	Rents	A	B	C	1,300	1,300	0
53	812	Administrative expenses transferred - Cr.	A	B	C	(183,288)	(125,695)	(57,593)
54		Clearing expense	A	B	C	336,338	367,947	(31,609)
55		Total miscellaneous				154,350	243,552	(89,202)
56		Total operating expenses				7,010,890	6,126,895	709,499

SCHEDULE B-3
Account 506-Property Losses Chargeable to Operations

Line No.	Description (a)	Amount
1	NONE	
2		
3		
4		
5		
6		
7	Total	0.00
8		

SCHEDULE B-4

Account 507-Taxes Charged During Year

<p>1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.</p> <p>2. Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.</p>	<p>3. The accounts to which taxes charged were distributed should be shown in columns (c) to (f). Show both the utility department and number of account charged except for taxes capitalized.</p> <p>4. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.</p>	<p>5. The total taxes charged as shown in column (b) should agree with the amounts shown by column (d) of schedule entitled "Accrued and Prepaid Taxes," page 17.</p> <p>6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p>
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DISTRIBUTION OF TAXES CHARGED

Line No.	Kind of Tax (a)	(Show utility department where applicable and account charged)				Capitalized (Omit Account) (f)
		Total taxes Charged During Year (b)	Water (Account 507) (c)	Non-utility (Account 521) (d)	Clearings (Account 143) (e)	
14	Taxes on real and personal property	213,120				
15	State corporate franchise tax	74,000				377
16	State unemployment insurance tax	3,581			183	
17	Other state and local taxes	6,186			98	204
18	Federal unemployment insurance tax	2,051			5,612	12,185
19	Federal insurance contributions act	136,943				
20	Other federal taxes	0				
21	Federal income tax	(6,557)				
22						
23						
27	Totals	429,324	410,665	0	5,893	12,766

SCHEDULE B-5

Reconciliation of Reported Net Income With Taxable Income for Federal 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.

come 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 among the group members.

2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net in-

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 4.....	
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additions, deductions and non-	
3	taxable income):	
4		
5		
6		
7		
8	NOT AVAILABLE AT THIS TIME	
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	Federal tax net income.....	
28	Computation of tax:	
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		

SCHEDULE B-6
Account 521 - Income from Non-utility Operations

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1	NONE			
2				
3				
4				
5				
6				
9	Totals			

SCHEDULE B-7
Account 526 - Miscellaneous Non-operating Revenue

Line No.	Description (a)	Amount (b)
10	LEASE OF CELLULAR SITE	27,604
11	FORFEITED DEPOSIT	1,180
12	SPLIT DOLLAR LIFE INSURANCE	1,526
13	DENTAL TRUST DIVIDENDS	1,451
14		
15		
16		
17	Totals	31,761

SCHEDULE B-8
Account 527 - Non-operating Revenue Deductions (Dr.)

Line No.	Description (a)	Amount (b)
18	APPLE VALLEY RESOURCES ACQUIS.-AMORTIZATION	(810)
19	AMORTIZATION OF ORGANIZATION COSTS	(6,775)
20	AMORTIZATION OF LEASED WATER RIGHTS	(1,714)
21		
22		
23		
24		
25	Totals	(9,299)

SCHEDULE B-9
Account 535 - Other Interest Charges

Line No.	Description (a)	Amount (b)
26	CUSTOMER DEPOSITS	4,758
27		
28		
29		
30		
31		
32		
33	Totals	4,758

SCHEDULE B-10
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
34	WATER ASSOCIATION DUES	10,932
35	MISCELLANEOUS DONATIONS	10,715
36	SPLIT DOLLAR LIFE INSURANCE	190
37	PROPERTY TAX AMORTIZATION	2,654
38		
39		
40		
41	Totals	24,491

SCHEDULE C-1

Engineering and Management Fees and Expenses, Etc., During Year

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	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 or No.)	YES	
2	(If the answer is in the affirmative, make appropriate replies to the following questions.)		
3	2. Name of each organization or person that was a party to such a contract or agreement.		
4	APPLE VALLEY RANCHOS WATER & PARK WATER COMPANY		
5	3. Date of original contract or agreement.	5/21/1987	
6	4. Date of each supplement or agreement.		
7	Note.—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.		
8	5. Amount of compensation paid during the year for supervision or management.....		1,708,779
9	6. To whom paid.		
10	7. Nature of payment (salary, traveling expenses, etc.).		
11	8. Amounts paid for each class of service.		
12	9. Basis for determination of such amounts.	DIRECT CHARGE FOR IDENTIFIABLE COSTS PLUS PERCENTAGE	
13	ALLOCATION FOR OTHER COSTS BY PARK WATER COMPANY		
14	10. Distribution of payments:		Amount
15	(a) Charged to operating expenses		1,690,777
16	(b) Charged to capital accounts		18,002
17	(c) Charged to other accounts		0
18	Total		1,708,779
19	11. Distribution of charges to operating expenses by primary accounts.		Amount
20	Number and Title of Account		
21	SEE ATTACHED PAGE		
22	Total		
23	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?		
24	PARK WATER IS SOLE SHAREHOLDER OF APPLE VALLEY STOCK		

SCHEDULE C-2

Compensation of Individual Proprietor or Partners Included In Operating Expenses

Do operating expenses include any charge for owner's compensation in the form of salary or wages, rental allowances, or for the use of a private automobile? (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

Line No.	Nature of Allowance (a)	Account Charged (b)	Amount (c)
29	NOT APPLICABLE		
30			
31			
32			
33			
34	Total		

APPLE VALLEY RANCHOS WATER COMPANY
SCHEDULE C-1

ACCT. NO.	DESCRIPTION	AMOUNT
103	CAPITAL	18,002
507	PAYROLL TAXES	9,774
701	SOURCE OF SUPPLY OPERATIONS	12,926
721	PUMPING-OPERATIONS	0
751	T&D OPERATIONS	36,225
773	CUSTOMER RECORDS & COLLECTIONS	21,522
791	A&G SALARIES	73,527
792	A&G OFFICE EXPENSE	30,894
793	INJURIES & DAMAGES	290,592
795	EMPLOYEE PENSION & BENEFITS	60,546
798	OUTSIDE SERVICES	36,965
799	OTHER A&G	8,108
	MAIN OFFICE ALLOCATION	1,105,064
903	TRANSPORTATION CLEARINGS	4,634
	TOTAL	1,708,779

SCHEDULE C-3
Employees and Their Compensation
(Charged to Account 502-Operating Expenses-Schedule B-2)

Line No.	Classification (a)	Number at End of Year (b)	SalWages Paid During Year (c)
1	Employees - source of supply		
2	Employees - pumping	4	193,976
3	Employees - water treatment	1	48,494
4	Employees - transmission and distribution	14	678,917
5	Employees - customer service	4	193,978
6	Employees - sales		
7	Employees - administration		
8	General officers		109,847
9	General office	10	484,941
10	Totals	34	1,710,151

SCHEDULE C-4
Record of Accidents During Year

Line No.	2000 Month of Accident (a)	TO PERSONS					TO PROPERTY			
		Employees on Duty		Public (1)		Total Number (f)	Company		Other	
		Killed (b)	Injured (c)	Killed (d)	Injured (e)		Number (g)	Amount (h)	Number (i)	Amount (j)
	11 Jan. - Apr.	0	0	0	0	0	0	0	2	150
	12 May - Aug.	0	0	0	0	0	0	0	2	103
	13 Sept. - Dec.	0	0	0	0	0	0	0	4	705
	14 Totals	0	0	0	0	0	0	0	8	958

1. Accidents to employees not on duty should be included in "Public" accidents.

SCHEDULE C-5
Expenditures for Political Purposes

15	NONE
16	
17	
18	
19	

SCHEDULE C-6
Loans to Directors, or Officers, or Shareholders

Name	Loan Amount	Interest Rate	Maturity Date	Security	Date Authorized
20					
21					
22	NONE				
23					
24					
25					

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	NONE							

WELLS						Pumping Capacity (Unit)2	Annual Quantities Pumped (Unit)2	Remarks
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	Depth to Water			
6	PLEASE SEE LIST ON PAGE 28A							
7								
8								
9								
10								

TUNNELS AND SPRINGS				Flow In (Unit) 2		Quantities Used (Unit)2	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11							
12	NONE						
13							
14							
15							

PURCHASED WATER FOR RESALE				Annual Quantities Purchased (Unit chosen)2	ACRE FEET
Line No.	Purchased from	Location	Number		
16	Purchased from	NONE			
17	Annual quantities purchased				
18					

*State ditch, pipe line, reservoir, etc., with name, if any.
 1Average depth to water surface below ground surface.
 2The quantity unit in established use for expressing 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.

SCHEDULE D-2
Description of Storage Facilities

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
20	A. Collecting Reservoirs	NONE		
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution reservoirs	NONE		
25	Concrete			
26	Earth			
27	Wood			
28	C. Tanks			
29	Wood			
30	Metal	9	8,625,000 Gals	
31	Concrete			
32	Totals	9	8,625,000 Gals	

SCHEDULE D-1
Sources of Supply and Water Developed- WELLS

APPLE VALLEY RANCHOS WATER CO. 2000

Well No.	Location	Casing Dimension	Depth to Water	Gallons Per Minute	Annual Production 100 Cu. Ft.
4	Ptn SW 1/4, NW 1/4, Sec 27	20"	162'	1,133	99,021
7	Ptn NW 1/4, Sec 34, T6N R4W	14"	61'	262	12,808
9	Lot 262, Tract 5883	14"	231'	897	341,573
10R	Lot 10, Tract 5205	10"	171'	561	355,715
11R	Lot 971, Tract 6115	18"	222'	1,941	1,012,876
12	Ptn NE 1/4, SW1/4, Sec 30	16"	93'	999	407,511
15	Ptn NE 1/4, Sec 22, T5N R3W	16"	148'	1,232	0
16	Ptn SE 1/4, Sec 30, T5N R3W	16"	84'	1,192	235,851
17	Ptn SW 1/4, Sec 13, T5N R4W	16"	64'	756	261,585
18	Lot 360, Tract 5704	16"	68'	1,023	472,805
19	Lot 1059, Tract 6257	16"	203'	803	155,992
20	Ptn SW 1/4, Sec 13, T5N R4W	16"	88'	686	119,925
21	Ptn NW 1/4, Sec 28, T5N R3W	20"	189'	1,663	564,782
22	Ptn NE 1/4, SW 1/4, Sec 28	20"	192'	1,685	933,298
23	Lot 335, Tract 4053	20"	118'	416	154,196
24	Ptn NW 1/4, NE 1/4, Sec 4	14"	202'	831	293,545
25	18555 Tuscola, T5N, R4W, Sec 13	16"	79'	525	214,308
26	18588 Seneca, T5N, R4W, Sec 13	20"	108'	1,720	761,107
28	Riverside Drive	18"	92'	867	323,490
30	11401 Apple Valley Rd.	14"	96'	1,059	37,273
31	Apple Valley Rd.	14"	59'	416	0
32	19382 Del Oro Road	10"	77'	423	147,824
3	Agricultural Well	18"	63'	1,000	0
4	Agricultural Well	18"	80'	927	666,421
5	Agricultural Well	18"	85'	2,800	1,678,787
TOTALS				25,817	9,250,693

See New page

SCHEDULE D-4 Number of Active Service Connections				
Classification	Metered-Dec.31		Flat Rate-Dec.31	
	Prior Year	Current Year	Prior Year	Current Year
Commercial (including domestic)	14,664	14,062	0	0
Industrial	2	2		
Public authorities	46	43		
Irrigation (landscape)	60	66		
Irrigation (reclaimed)	2	2		
Sub-total	14,774	14,172	0	0
Private fire connections	85	83		
Public fire hydrants	1,963	1,965		
Total	16,822	16,250	0	0

SCHEDULE D-5 Number of Meters and Services on Pipe Systems at End of Year		
Size	Meters	Services
5/8 x 3/4-in.	13,756	XXXXXXXX
3/4-in.	644	
1-in.	1,486	
1-1/2-in.	164	
2-in.	170	
3-in.	85	
4-in.	32	
6-in.	65	
8-in.	24	
10- & 12-in.	1	
Total	16,427	0

SCHEDULE D-6 Meter Testing Data	
A. Number of Meters Tested During Year as Prescribed	
1. New, after being received	1,147
2. Used, before repair	0
3. Used, after repair	0
4. Found fast, requiring billing adjustment	0
B. Number of Meters in Service Since Last Test.	
1. Ten year or less	14,294
2. More than 10, but less than 15 years	2,069
3. More than 15 years	64

SCHEDULE D-7 Water delivered to Metered Customers by Months and Years in Ccf (Unit Chosen)1									
Classification of Service	During Current Year						Subtotal	Total	Prior Year
	January	February	March	April	May	June			
Commercial	236,060	275,163	234,898	369,756	355,757	591,327	2,062,961		
Industrial	0	88	0	136	0	196	420		
Public Authorities	9,828	7,166	9,831	16,138	30,234	31,811	105,008		
Irrigation (landscape)	7,770	264	5,735	559	15,093	4,374	33,795		
Irrigation (reclaimed)	10,828	0	15,439	0	23,195	0	49,462		
Total	264,486	282,681	265,903	386,589	424,279	627,708	2,251,646		

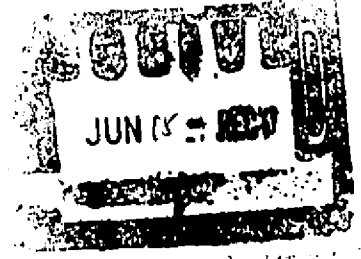
Classification of Service	During Current Year						Subtotals	Total	Prior Year
	July	August	September	October	November	December			
Commercial	532,609	768,355	605,186	653,794	408,141	434,599	3,402,684	5,465,645	5,086,190
Industrial		302	0	264	0	189	755	1,175	1,018
Public Authorities	54,258	45,923	60,300	41,270	29,110	15,290	246,151	351,159	357,078
Irrigation (landscape)	27,900	3,481	34,193	4,519	23,595	1,459	95,147	128,942	124,238
Irrigation (reclaimed)	71,347		64,219	0	39,074	0	174,640	224,102	353,208
Total	686,114	818,061	763,898	699,847	499,920	451,537	3,919,377	6,171,023	5,921,732

Total acres irrigated: 0 Total Population served: 43,227

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

New Page

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SCHEDULE D-4 Number of Active Service Connections				
Classification	Metered-Dec.31		Flat Rate-Dec.31	
	Prior Year	Current Year	Prior Year	Current Year
Commercial (including domestic)	14,664	15,232	-	-
Industrial	2	2	-	-
Public authorities	46	43	-	-
Irrigation (landscape)	60	63	-	-
Irrigation (reclaimed)	2	2	-	-
Sub-total	14,774	15,342	-	-
Private fire connections	85	93	-	-
Public fire hydrants	1,963	1,985	-	-
Total	16,822	17,420	-	-

SCHEDULE D-5 Number of Meters and Services on Pipe Systems at End of Year		
Size	Meters	Services
5/8 x 3/4-in.	13,756	XXXXXXXX
3/4-in.	644	
1-in.	1,486	
1-1/2-in.	164	
2-in.	170	
3-in.	85	
4-in.	32	
6-in.	65	
8-in.	24	
10- & 12-in.	1	
Total	16,427	-

SCHEDULE D-6 Meter Testing Data	
A. Number of Meters Tested During Year as Prescribed	
1. New, after being received	1,147
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 year or less	14,294
2. More than 10, but less than 15 years	2,069
3. More than 15 years	64

SCHEDULE D-7 Water delivered to Metered Customers by Months and Years in Ccf (Unit Chosen) ¹										
Classification of Service	During Current Year							Subtotal	Total	Prior Year
	January	February	March	April	May	June	Subtotal			
Commercial	236,060	275,163	234,898	369,756	355,757	591,327	2,062,961			
Industrial	-	88	-	136	-	196	420			
Public Authorities	9,828	7,166	9,831	16,138	30,234	31,811	105,008			
Irrigation (landscape)	7,770	264	5,735	559	15,093	4,374	33,795			
Irrigation (reclaimed)	10,828	-	15,439	-	23,195	-	49,462			
Total	264,486	282,681	265,903	386,589	424,279	627,708	2,251,646			
Classification of Service	During Current Year							Subtotals	Total	Prior Year
	July	August	September	October	November	December	Subtotals			
Commercial	532,609	768,355	605,186	653,794	408,141	434,599	3,402,684	5,465,645	5,086,190	
Industrial	-	302	-	264	-	189	755	1,175	1,018	
Public Authorities	54,258	45,923	60,300	41,270	29,110	15,290	246,151	351,159	357,078	
Irrigation (landscape)	27,900	3,481	34,193	4,519	23,595	1,459	95,147	128,942	124,238	
Irrigation (reclaimed)	71,347	-	64,219	-	39,074	-	174,640	224,102	353,208	
Total	686,114	818,061	763,898	699,847	499,920	451,537	3,919,377	6,171,023	5,921,732	
Total acres irrigated:				0	Total Population served			43,227		

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

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: 01/14/57 5. If permit is "temporary" what is the expiration date? N/A
- 6. If you do not hold a permit has an application been made for such permit? N/A 7. If so, on what date? N/A

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.

MONEY PAID TO SICC, INC.	
Various Coatings	41,869
Graffiti Removal	385
Main Office and Warehouse	3,007
Miscellaneous	4,881
	50,142

SICC, INC. AND APPLE VALLEY RANCHOS WATER COMPANY ARE
SUBSIDIARIES OF PARK WATER COMPANY.

DECLARATION

Before Signing Please Check to See That All Schedules Have Been Completed
(See Instruction 5 on front cover)

I, the undersigned JACK CLARKE, of APPLE VALLEY RANCHOS WATER COMPANY, 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 operation of its property for the period from and including January 1, 2002, to and including December 31, 2002.

Signed Jack B. Clarke
Title VICE PRESIDENT

Date APRIL 25, 2003

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