

37

Received _____

Examined _____

CLASS A
WATER UTILITIES

U# _____

2003
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 92307-7005

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2003

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2004
(FILE TWO COPIES IF THREE RECEIVED)

INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed NOT LATER THAN MARCH 31, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: KENNETH LOUIE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

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 the last page, must be signed by an 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.
9. This report must cover a calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

INSTRUCTIONS

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 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.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

Year 2003

NAME OF UTILITY APPLE VALLEY RANCHOS WATER COMPANY

PHONE (562) 923-0711

PERSON RESPONSIBLE FOR THIS REPORT LAWRENCE G. LEE

(Prepared from Information in the 2003 Annual Report)

	1/1/2003	12/31/2003	Average
BALANCE SHEET DATA			
1 Intangible Plant	273,443	273,443	273,443
2 Land and Land Rights	3,304,610	3,347,511	3,326,061
3 Depreciable Plant	43,878,218	48,037,004	45,957,611
4 Gross Plant in Service	47,456,271	51,657,958	49,557,115
5 Less: Accumulated Depreciation	(11,162,586)	(11,940,136)	(11,551,361)
6 Net Water Plant in Service	36,293,685	39,717,822	38,005,754
7 Water Plant Held for Future Use			0
8 Construction Work in Progress	299,355	145,614	222,485
9 Materials and Supplies	183,231	192,463	187,847
10 Less: Advances for Construction	(7,269,145)	(7,362,235)	(7,315,690)
11 Less: Contributions in Aid of Construction	(1,449,652)	(1,497,921)	(1,473,787)
12 Less: Accumulated Deferred Income and Investment Tax Credits	(128,353)	(6,105,272)	(3,116,813)
13 Net Plant Investment	27,929,121	25,090,471	26,509,796
CAPITALIZATION			
14 Common Stock	3,750	3,750	3,750
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	5,862,976	5,862,976	5,862,976
17 Retained Earnings	17,889,697	16,877,751	17,383,724
18 Common Stock and Equity (Lines 14 through 17)	23,756,423	22,744,477	23,250,450
19 Preferred Stock	0	0	0
20 Long-Term Debt	6,058,747	4,636,861	5,347,804
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	29,815,170	27,381,338	28,598,254

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

Adjusted to Exclude Non-Regulated Activity
Year 2003

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711

PERSON RESPONSIBLE FOR THIS REPORT: LAWRENCE G. LEE
(Prepared from Information in the 2003 Annual Report)

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SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

2003

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711

	Annual Amount
INCOME STATEMENT	
23 Unmetered Water Revenue	0
24 Fire Protection Revenue	65,853
25 Irrigation Revenue	325,685
26 Metered Water Revenue	<u>11,777,017</u>
27 Total Operating Revenue	12,168,555
28 Operating Expenses	7,574,374
29 Depreciation Expense (Composite Rate 2.78%)	1,075,717
30 Amortization and Property Losses	
31 Property Taxes	236,268
32 Taxes Other Than Income Taxes	145,951
33 Total Operating Revenue Deduction Before Taxes	9,032,310
34 California Corp. Franchise Tax	158,688
35 Federal Corporate Income Tax	3,729,312
36 Total Operating Revenue Deduction After Taxes	12,920,310
37 Net Operating Income (Loss) - California Water Operations	(751,755)
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	(28,022)
39 Income Available for Fixed Charges	(779,777)
40 Interest Expense	232,169
41 Net Income (Loss) Before Dividends	(1,011,946)
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	<u>(1,011,946)</u>

OTHER DATA

44 Refunds of Advances for Construction	212,195
45 Total Payroll Charged to Operating Expenses	1,908,805
46 Purchased Water	0
47 Power	1,158,452
48 Class A Water Companies Only:	
a. Pre-TRA 1986 Contributions in Aid of Construction	901,572
b. Pre-TRA 1986 Advances for Construction	27,600
c. Post TRA 1986 Contributions in Aid of Construction	596,349
d. Post TRA 1986 Advances for Construction	7,334,634

	Jan. 1	Dec. 31	Annual Average
49 <u>Active Service Connections (Exc. Fire Protect.)</u>	<u>14,172</u>	<u>16,005</u>	<u>15,089</u>
50 Metered Service Connections			
50 Flat Rate Service Connections			
51 Total Active Service Connections	14,172	16,005	15,089

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

Adjusted to Exclude Non-Regulated Activity
2003

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY PHONE: (562) 923-0711

		Annual Amount		
INCOME STATEMENT				
23	Unmetered Water Revenue	65,853		
24	Fire Protection Revenue	325,685		
25	Irrigation Revenue	<u>11,777,017</u>		
26	Metered Water Revenue	12,168,555		
27	Total Operating Revenue	7,574,374		
28	Operating Expenses	1,075,717		
29	Depreciation Expense (Composite Rate 2.78%)	0		
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31	Property Taxes	145,951		
32	Taxes Other Than Income Taxes	9,032,310		
33	Total Operating Revenue Deduction Before Taxes	158,688		
34	California Corp. Franchise Tax	3,729,312		
35	Federal Corporate Income Tax	12,920,310		
36	Total Operating Revenue Deduction After Taxes	(751,755)		
37	Net Operating Income (Loss) - California Water Operations	0		
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	(751,755)		
39	Income Available for Fixed Charges	232,169		
40	Interest Expense	(983,924)		
41	Net Income (Loss) Before Dividends	0		
42	Preferred Stock Dividends	<u>(983,924)</u>		
43	Net Income (Loss) Available for Common Stock			
OTHER DATA				
44	Refunds of Advances for Construction	212,195		
45	Total Payroll Charged to Operating Expenses	1,908,805		
46	Purchased Water	0		
47	Power	1,158,452		
48	Class A Water Companies Only:	901,572		
	a. Pre-TRA 1986 Contributions in Aid of Construction	27,600		
	b. Pre-TRA 1986 Advances for Construction	596,349		
	c. Post TRA 1986 Contributions in Aid of Construction	7,334,634		
	d. Post TRA 1986 Advances for Construction			
		Annual Average		
49	Active Service Connections (Exc. Fire Protect.) -	Jan. 1	Dec. 31	15,089
		<u>14,172</u>	<u>16,005</u>	
50	Metered Service Connections			
51	Flat Rate Service Connections			
51	Total Active Service Connections	<u>14,172</u>	<u>16,005</u>	15,089

Notes to Adjusted Selected Financial Data

Instructions: Provide reasons for each adjustment to the Selected Financial Data due to non-regulated activities. Detail this information by name of line item (Gross Plant, Operating Revenues, etc.), account number, dollar amount, and by point in time (end of year, beginning of year, or average).

1 Line 38	split dollar life insurance	\$1,992	Non-utility expense
2 Line 38	Amortization	\$11,961	Non-utility expense
3 Line 38	Water Association Dues	\$1,394	Non-utility expense
4 Line 38	Charitable Contributions	\$12,675	Non-utility expense
Total		\$28,022	

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 ZIP 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 Telephone: (760) 247-6484
Address: SAME AS ABOVE

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:

(Name) HENRY H. WHEELER, PRESIDENT
(Name) CHAYRE M. WHEELER, SECRETARY
(Name) JACK CLARKE, VICE PRESIDENT AND GENERAL MANAGER
(Name) LEIGH K. JORDAN, EXECUTIVE VICE PRESIDENT

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:

Date:
Date:
Date:
Date:

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

NONE

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits

Line No.	Acct.	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	8	51,823,822	47,776,686
3	107	Utility plant adjustments		(69,621)	(61,134)
4		Total utility plant		51,754,201	47,715,552
5	250	Reserve for depreciation of utility plant	12	(11,940,136)	(11,162,586)
6	251	Reserve for amortization of limited term utility investments	12	0	0
7	252	Reserve for amortization of utility plant acquisition adjustment	12	0	0
8		Total utility plant reserves		(11,940,136)	(11,162,586)
9		Total utility plant less reserves		39,814,065	36,552,966
10					
11		II. INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	10	303,271	303,271
13	253	Reserve for depreciation and amortization of other property	12		0
14		Other physical property less reserve		303,271	303,271
15	111	Investments in associated companies	13		0
16	112	Other investments	13		0
17	113	Sinking funds	14		0
18	114	Miscellaneous special funds	14		0
19		Total investments and fund accounts		303,271	303,271
20					
21		III. CURRENT AND ACCRUED ASSETS			
22	120	Cash		150,189	188,020
23	121	Special deposits	15		0
24	122	Working funds		1,000	1,000
25	123	Temporary cash investments			0
26	124	Notes receivable	15		0
27	125	Accounts receivable		755,345	628,530
28	126	Receivables from associated companies	17	1,652,412	1,652,412
29	131	Materials and supplies		192,463	183,231
30	132	Prepayments	17	160,541	160,525
31	133	Other current and accrued assets	17		0
32		Total current and accrued assets		2,911,950	2,813,718
33					
34		IV. DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	18		0
36	141	Extraordinary property losses	19	0	0
37	142	Preliminary survey and investigation charges		223,319	233,587
38	143	Clearing accounts			0
39	145	Other work in progress			0
40	146	Other deferred debits	19	1,373,093	561,135
41		Total deferred debits		1,596,412	794,722
42		Total assets and other debits		44,625,698	40,464,677
43					

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct.	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	20	3,750	3,750
3	201	Preferred capital stock	20		
4	202	Stock liability for conversion			
5	203	Premiums and assessments on capital stock	20		
6	150	Discount on capital stock	18	()	
7	151	Capital stock expense	18	()	
8	270	Capital surplus	21	5,862,976	5,862,976
9	271	Earned surplus	21	16,877,751	17,889,697
10		Total corporate capital and surplus		22,744,477	23,756,423
11					
12		II. PROPRIETARY CAPITAL			
13	204	Proprietary capital (Individual or partnership)	21		
14	205	Undistributed profits of proprietorship or partnership	21		
15		Total proprietary capital			
16					
17		III. LONG-TERM DEBT			0
18	210	Bonds	22		
19	211	Receivers' certificates			
20	212	Advances from associated companies	24	4,636,861	6,058,747
21	213	Miscellaneous long-term debt	24		0
22		Total long-term debt		4,636,861	6,058,747
23					
24		IV. CURRENT AND ACCRUED LIABILITIES			0
25	220	Notes payable	23		
26	221	Notes receivable discounted			
27	222	Accounts payable		375,170	273,764
28	223	Payables to associated companies	23		
29	224	Dividends declared			0
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		76,603	69,637
33	228	Taxes accrued	26	135,003	118,256
34	229	Interest accrued		1,256	2,347
35	230	Other current and accrued liabilities	25	625,048	599,553
36		Total current and accrued liabilities		1,213,080	1,063,557
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	17		
40	241	Advances for construction	27	7,362,235	7,269,145
41	242	Other deferred credits	28	7,171,124	867,153
42		Total deferred credits		14,533,359	8,136,298
43					
44		VI. RESERVES			
45	254	Reserve for uncollectible accounts	26		
46	255	Insurance reserve	26		
47	256	Injuries and damages reserve	26		
48	257	Employees' provident reserve	26		
49	258	Other reserves	26		
50		Total reserves			
51					
52		VII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	29	1,497,921	1,449,652
54		Total liabilities and other credits		44,625,698	40,464,677

SCHEDULE B
Income Account for the Year

Line No.	Acct.	Account (a)	Schedule Page No. (b)	Amount (c)
1		I. UTILITY OPERATING INCOME		
2	501	Operating revenues	30	12,168,555
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	31-33	7,574,374
6	503	Depreciation	12	1,075,717
7	504	Amortization of limited-term utility investments	11	0
8	505	Amortization of utility plant acquisition adjustments	11	0
9	506	Property losses chargeable to operations	32	0
10	507	Taxes	34	4,270,219
11		Total operating revenue deductions		<u>12,920,310</u>
12		Net operating revenues		(751,755)
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		<u>(751,755)</u>
16				
17		II. OTHER INCOME		
18	521	Income from nonutility operations (Net)	34	
19	522	Revenue from lease of other physical property		
20	523	Dividend revenues		
21	524	Interest revenues		
22	525	Revenues from sinking and other funds		
23	526	Miscellaneous nonoperating revenues	36	(1,815)
24	527	Nonoperating revenue deductions - Dr.	36	(9,298)
25		Total other income		<u>(11,113)</u>
26		Net income before income deductions		(762,868)
27				
28		III. INCOME DEDUCTIONS		
29	530	Interest on long-term debt		
30	531	Amortization of debt discount and expense	17	
31	532	Amortization of premium on debt - Cr.	17	
32	533	Taxes assumed on interest		
33	534	Interest on debt to associated companies		228,586
34	535	Other interest charges	36	3,583
35	536	Interest charged to construction - Cr.		
36	537	Miscellaneous amortization		
37	538	Miscellaneous income deductions	36	16,909
38		Total income deductions		<u>249,078</u>
39		Net income		(1,011,946)
40				
41		IV. DISPOSITION OF NET INCOME		
42	540	Miscellaneous reservations of net income		
43				
44		Balance transferred to Earned Surplus or		(1,011,946)
45		Proprietary Accounts scheduled on page 21		
46				

SCHEDULE A-1
Account 100 - Utility Plant

MAY 10 - 2000
Amended

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1	100 - 1	Utility plant in service (Schedule A-1a)	47,456,271	5,267,236	501,511	(564,037)	51,657,958
2	100 - 2	Utility plant leased to others					0
3	100 - 3	Construction work in progress	299,355	(153,741)	xxxxxxxxxx		145,614
4	100 - 4	Utility plant held for future use (Sch A-1c)					0
5	100 - 5	Utility plant acquisition adjustments	21,060		xxxxxxxxxx	(810)	20,250
6	100 - 6	Utility plant in process of reclassification					0
7		Total utility plant	47,776,686	5,113,495	501,511	(564,847)	51,823,822

SCHEDULE A-1a
Account 100.1 - Utility Plant in Service

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
8		I. INTANGIBLE PLANT					
9	301	Organization	271,976				271,976
10	302	Franchises and consents (Schedule A-1b)	0				0
11	303	Other intangible plant	1,467				1,467
12		Total intangible plant	273,443	0	0	0	273,443
13							
14		II. LANDED CAPITAL					
15	306	Land and land rights	3,304,610	42,901			3,347,511
16							
17		III. SOURCE OF SUPPLY PLANT					
18	311	Structures and improvements	49,998				49,998
19	312	Collecting and impounding reservoirs	0				0
20	313	Lake, river and other intakes	0				0
21	314	Springs and tunnels	0				0
22	315	Wells	1,767,126	317,862	31,890		2,053,098
23	316	Supply mains	0				0
24	317	Other source of supply plant	134,842				134,842
25		Total source of supply plant	1,951,965	317,862	31,890	0	2,237,937
26			0				0
27		IV. PUMPING PLANT					
28	321	Structures and improvements	585,633	368,382	862		953,153
29	322	Boiler plant equipment					0
30	323	Other power production equipment					0
31	324	Pumping equipment	2,165,304	590,732	(19,094)		2,775,129
32	325	Other pumping plant					0
33		Total pumping plant	2,750,937	959,114	(18,232)	0	3,728,282
34			0				0
35		V. WATER TREATMENT PLANT					
36	331	Structures and improvements					0
37	332	Water treatment equipment	500,210	100,434	7,046		593,598
38		Total water treatment plant	500,210	100,434	7,046	0	593,598

SCHEDULE A-1a
Account 100.1 - Utility Plant in Service - Concluded

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		VI. TRANSMISSION AND DIST. PLANT					
2	341	Structures and improvements					
3	342	Reservoirs and tanks	1,633,824				1,633,824
4	343	Transmission and distribution mains	24,262,656	1,978,526	286,633		25,954,549
5	344	Fire mains	0				0
6	345	Services	4,125,585	1,061,480	32,657		5,154,408
7	346	Meters	1,448,880	98,969	48,820	(564,037)	934,992
8	347	Meter installations	(11,418)	11,418			0
9	348	Hydrants	3,508,584	137,286	32,024		3,613,846
10	349	Other transmission and distribution plant	1,575				1,575
11		Total transmission and distribution plant	34,969,686	3,287,679	400,134	(564,037)	37,293,194
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	992,727	53,634			1,046,361
15	372	Office furniture and equipment	388,852	94,664	1,618		481,898
16	373	Transportation equipment	582,862	85,234	35,121		632,975
17	374	Stores equipment	0				0
18	375	Laboratory equipment	887				887
19	376	Communication equipment	344,557	161,403	42,589		463,371
20	377	Power operated equipment	940,214	156,310			1,096,524
21	378	Tools, shop and garage equipment	79,156	8,001	1,345		85,812
22	379	Other general plant	0				0
23		Total general plant	3,329,256	559,246	80,673		3,807,829
24							
25		VIII. UNDISTRIBUTED ITEMS					
26	390	Other tangible property	376,164				376,164
27	391	Utility plant purchased					
28	392	Utility plant sold					
29		Total undistributed items	376,164				376,164
30		Total utility plant in service	47,456,271	5,267,236	501,511	(564,037)	51,657,958

SCHEDULE A-1b
Account 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)
31	NONE				
32					
33					
34					
35		Total			xxxxxxxxxxxxxxxxxxxxxxxxxxxx

¹ The total should agree with the balance at the end of the year in Account 302 in Schedule A-1a Line 10.

SCHEDULE A-1c
Account 100.4 - Utility Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date Will be Placed in Service (c)	Balance End of Year (d)
1	NONE			
2				
3				
4				
5				
6				
7		xxxxxxxxxxxxxxxxxxxxxxxxxxxx		
8		Total		

SCHEDULE A-2
Account 110 - Other Physical Property

Line No.	Name and Description of Property (a)	Book value, end of year (b)
9	LAND	303,271
10		
11		
12		
13		
14		
15	Total	303,271

**SCHEDULE A-1d
RATE BASE**

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		RATE BASE			
2					
3		Utility Plant		51,657,958	47,456,271
4		Plant in Service		145,614	299,355
5		Construction Work in Progress		1,685,348	1,706,846
6		General Office Prorate		53,488,920	49,462,472
7		Total Gross Plant (Line 4 + Line 5 + Line 6)			
8					
9		Less Accumulated Depreciation			
10		Plant in Service		11,940,136	11,162,586
11		General Office Prorate		576,745	490,570
12		Total Accumulated Depreciation (Line 10 + Line 11)		12,516,881	11,653,156
13					
14		Less Other Reserves			
15		Deferred Income Taxes		6,046,238	0
16		Deferred Investment Tax Credit		59,034	128,353
17		Other Reserves			
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		6,105,272	128,353
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		1,497,921	1,449,652
22		Advances for Construction		7,362,235	7,269,145
23		Other			
24		Total Adjustments (Line 21 + Line 22 + Line 23)		8,860,156	8,718,797
25					
26		Add Materials and Supplies		192,463	183,231
27					
28		Add Working Cash (From Schedule A-1d(2))		1,475,189	1,350,540
29					
30		TOTAL RATE BASE			
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28		27,674,264	30,495,937
32					
33					
34					
35					
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52					
53					
54					

SCHEDULE A-1d (2)
RATE BASE
Working Cash Calculation

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		Working Cash			
2					
3		Determination of Operational Cash Requirement			
4		1. Operating Expenses, Excl Taxes, Depr. & Uncoll.		7,544,290	6,990,114
5		2. Purchased Power & Commodity for Resale*		1,158,452	1,268,802
6		3. Meter Revenues: Bimonthly Billing		11,147,269	10,517,774
7		4. Other Revenues: Flat Rate Monthly Billing		0	0
8		5. Total Revenues (3 + 4)		11,147,269	10,517,774
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)		0	0
10		7. $5/24 \times \text{Line 1} \times (100\% - \text{Line 6})$		1,571,727	1,456,274
11		8. $1/24 \times \text{Line 1} \times \text{Line 6}$		0	0
12		9. $1/12 \times \text{Line 2}$		96,538	105,734
13		10. Operational Cash Requirement (7 + 8 - 9)		1,475,189	1,350,540
14					
15					
16		* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).			
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
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53					
54					

SCHEDULE A-3
Accounts 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	11,162,586			
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505 ⁽¹⁾	1,075,717			
4	(b) Charged to Account 265.	102,712			
5	(c) Charged to clearing accounts	97,305			
6	(d) Salvage recovered	2,630			
7	(e) All other credits ⁽²⁾	1,422			
8	Total credits	1,279,786	0	0	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	501,511			
11	(b) Cost of removal	725			
12	(c) All other debits ⁽³⁾				
13	Total debits	502,236	0	0	0
14	Balance in reserve at end of year	11,940,136	0	0	0
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE: 2.78 %				
16	(2) EXPLANATION OF ALL OTHER CREDITS: Adjustment to wells and office furniture to agree to fixed assets subsidiary ledger; \$1,190 was for wells, \$232 was for office furniture; other side of adjustment was to fixed asset cost, not to depreciation expense.				
17					
18					
19	(3) EXPLANATION OF ALL OTHER DEBITS:				
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35	METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:				
36	(a) Straight Line		()		
37	(b) Liberalized		()		
38	(1) Double declining balance		()		
39	(2) ACRS		()		
40	(3) MACRS		()		
41	(4) Others		()		
42	(c) Both straight line and liberalized		(x)		

SCHEDULE A-3a

Account 250 - Analysis of Entries in Depreciation Reserve

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct.	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserves 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					34,267
2	311	Structures and improvements	32,652	1,615			0
3	312	Collecting and impounding reservoirs					0
4	313	Lake, river and other intakes					0
5	314	Springs and tunnels					695,889
6	315	Wells	680,186	47,593	31,890		0
7	316	Supply mains					13,952
8	317	Other source of supply plant	10,433	3,519			
9		Total source of supply plant	723,271	52,727	31,890	0	744,108
10							
11		II. PUMPING PLANT					146,021
12	321	Structures and improvements	121,416	25,467	862		0
13	322	Boiler plant equipment					0
14	323	Other power production equipment					0
15	324	Pumping equipment	0				0
16	325	Other pumping plant	497,437	87,015	(19,093)		603,545
17		Total pumping plant	618,853	112,482	(18,231)	0	749,566
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements					44,476
21	332	Water treatment equipment	31,833	19,689	7,046		
22		Total water treatment plant	31,833	19,689	7,046	0	44,476
23							
24		IV. TRANS. AND DIST. PLANT					0
25	341	Structures and improvements					427,964
26	342	Reservoirs and tanks	395,746	32,218			
27	343	Transmission and distribution mains	6,514,729	603,098	286,633	(725)	6,830,469
28	344	Fire mains	0				0
29	345	Services	819,107	118,320	32,657		904,770
30	346	Meters	(40,226)	37,723	48,820	1,330	(49,993)
31	347	Meter installations	0				0
32	348	Hydrants	642,096	81,065	32,024		691,137
33	349	Other transmission and distribution plant	0				0
34		Total trans. and distribution plant	8,331,452	872,424	400,134	605	8,804,347
35							
36		V. GENERAL PLANT					233,939
37	371	Structures and improvements	203,659	30,280			
38	372	Office furniture and equipment	209,258	48,150	1,616		255,792
39	373	Transportation equipment	555,659	33,192	35,121	1,300	555,030
40	374	Stores equipment	0				0
41	375	Laboratory equipment	547	47			594
42	376	Communication equipment	213,832	29,004	42,589		200,247
43	377	Power operated equipment	206,374	58,760	2,495		262,639
44	378	Tools, shop and garage equipment	30,231	5,354	(1,149)		36,734
45	379	Other general plant					0
46	390	Other tangible property	37,617	15,047			52,664
47	391	Water plant purchased					0
48		Total general plant	1,457,178	219,834	80,672	1,300	1,597,640
49							
		Total	11,162,586	1,277,156	501,511	1,905	11,940,136

SCHEDULE A-4
Account 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 Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest and Dividends Received During Year (g)
1							
2							
3							
4	NONE						
5							
6							
7		Totals					

¹ The total should agree with the balance at the end of the year in Account 111 on page 5.

SCHEDULE A-5
Account 112 - Other Investments

Line No.	Name and Description of Property (a)	Balance End of Year (b)
8		
9		
10		
11		
12	NONE	
13		
14		
15		
16	Total	

SCHEDULE A-6
Account 113 - Sinking Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
1						
2						
3						
4	NONE					
5						
6						
7						
8						
9	Totals					

SCHEDULE A-7
Account 114 - Miscellaneous Special Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
10						
11						
12						
13	NONE					
14						
15						
16						
17						
18	Totals					

SCHEDULE A-10
Account 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			
	1,652,412.			

SCHEDULE A-11
Account 132 - Prepayments

Item (a)	Amount (b)
INSURANCE	21,385
TAXES	129,693
POSTAGE	316
OTHER	9,147
Totals	160,541

SCHEDULE A-12
Account 133 - Other Current and Accrued Assets

Item (a)	Amount (b)
NONE	
Totals	

SCHEDULE A-13
Accounts 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 or 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 undisposed 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		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From- (d)	To- (e)				
1	NONE								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									

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						
2	NONE					
3						
4			Total	xxxxxxxxxxxx		

SCHEDULE A-15
Account 146 - Other Deferred Debits

Line No.	Item (a)	Balance End of year (b)
5	RATE CASE	96,200
6	CATASTROPHIC ILLNESS	36,795
7	PAID TIME OFF	134,027
8	SPLIT DOLLAR LIFE INSURANCE	26,751
9	REGULATORY ACCOUNTS	1,077,120
10	MISCELLANEOUS DEFERRED DEBITS	2,200
	Total	1,373,093

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

Line No.	Class and Series of Stock (a)	Balance End of year (b)
11		
12	NONE	
13	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.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance End of year (b)
14		
15	NONE	
16	Total	

SCHEDULE A-18
Accounts 200 and 201- Capital Stock

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

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)	
7	PARK WATER COMPANY	75		
8				
9				
10				
11				
12				
13				
14				
15	Total number of shares	75		

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

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

SCHEDULE A-20
Account 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	Total credits	
6	DEBITS (Give nature of each debit and state account credited)	
7		
8		
9		
10	Total debits	
11	Balance end of year	5,862,976

SCHEDULE A-21
Account 271 - Earned Surplus (For use by Corporations only)

Line No.	Acct	Account (a)	Amount (b)
12		Balance beginning of year	17,889,697
13		CREDITS	
14	400	Credit balance transferred from income account	2,733
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	2,733
18		DEBITS	
19	410	Debit balance transferred from income account	1,014,679
20	411	Dividend appropriations-preferred stock	
21	412	Dividend appropriations-Common stock	
22	413	Miscellaneous reservations of surplus	
23	414	Miscellaneous debits to surplus (detail)	
24			
25		Total debits	1,014,679
26		Balance end of year	16,877,751

SCHEDULE A-23
Account 205 - Undistributed Profits
of Proprietorship or Partnership
(The use of this account is optional)

Line No.	Item (a)	Amount (b)
15	Balance Beginning of year	
16	CREDITS	
17	Net income for year	NONE
18	Other credits (detail)	
19		
20	Total credits	
21	DEBITS	
22	Net loss for year	
23	Withdrawals during year	
24	Other debits (detail)	
25		
26		
27	Total debits	
28	Balance end of year	NONE

SCHEDULE A-22
Account 204 - Proprietary Capital
(Sole Proprietor or Partnership)

Line No.	Item (a)	Amount (b)
1	Balance Beginning of year	
2	CREDITS	
3	Net income for year	NONE
4	Additional investments during year	
5	Other credits (detail)	
6		
7	Total credits	
8	DEBITS	
9	Net loss for year	
10	Withdrawals during year	
11	Other debits (detail)	
12		
13	Total debits	
14	Balance end of year	NONE

**SCHEDULE A-24
Account 210 - Bonds**

Line No.	Class of Bond (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Rate of Interest (f)	Sinking Fund Added in Current Year (g)	Cost of Issuance (h)	Interest Accrued During Year (i)	Interest Paid During Year (j)
1										
2										
3	NONE									
4										
5										
6										
7										
8	Totals									

¹ After deduction for amount of reacquired bonds held by or for the respondent.

SCHEDULE A-25
Account 212 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
9	PARK WATER COMPANY(PARENT)	4,636,861		228,583	
10					
11					
12					
13	Totals	4,636,861		228,583	

SCHEDULE A-26
Account 213 - Miscellaneous Long Term Debt

Line No.	Nature of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding ¹ Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
14								
15								
16								
17	NONE							
18								
19								
20								
21	Totals							

¹ After deduction for amount of reacquired debt held by or for the respondent.

SCHEDULE A-27
Securities Issued or Assumed During Year

Line No.	Class of Security (a)	Commission Authorization (b)	Amount Issued During Year (omit cents) (c)	Discount or Premium (d)	Expenses (e)
22					
23					
24	NONE				
25					
26	Totals				

SCHEDULE A-28
Account 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							
2							
3							
4	NONE						
5							
6							
7							
8							
9	Totals						

SCHEDULE A-29
Account 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)
10					
11					
12	NONE				
13					
14	Totals				

SCHEDULE A-30
Account 230 - Other Current and Accrued Liabilities

Line No.	Description (a)	Balance End of Year (c)
15	ACCRUED PAID TIME OFF	134,027
16	FRANCHISE FEE	114,431
17	ACCRUED PAYROLL	16,537
18	ACCRUED CATASTROPHIC ILLNESS	36,795
19	REPLENISHMENT CHARGES (INCLUDES MAKE-UP ASSESSMENTS)	203,259
20	CALIFORNIA PUC SURCHARGE	49,416
21	POST RETIREMENT BENEFITS OTHER THAN PENSION	56,714
22	MEDICAL INSURANCE	5,050
23	MISCELLANEOUS	8,819
24		
25		
26		
27		
	Total	625,048

SCHEDULE A-31

Account 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 show 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 32, 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)	BALANCE BEGINNING OF YEAR		Taxes Charged During Year (d)	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	109,237	109,237	236,268	215,812		129,693	129,693
2	State corporation franchise tax	0	0	158,688	158,688			6
3	State unemployment insurance tax	545	0	2,966	3,505		3,774	
4	Other state and local taxes	1,909	0	8,442	6,577		3	
5	Federal unemployment insurance tax	16	0	2,005	2,018		1,527	
6	Fed. ins. contr. act (old age retire.)	6,549	0	150,011	155,033			
7	Other federal taxes	0	0	0	0			
8	Federal income taxes	0	0	3,729,312	3,729,312			
9								
10								
11								
12								
13	Totals	118,256	109,237	4,287,693	4,270,946	0	135,003	129,693
14								

SCHEDULE A-32
Account 241 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXX	7,269,145.00
2	Additions during year	XXXXXXXXXXXXXX	305,285.00
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXX	7,574,430.00
4	Charges during year	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	1,096.00	XXXXXXXXXXXXXXXXXXXXXX
7	Proportionate cost basis	211,099.00	XXXXXXXXXXXXXXXXXXXXXX
8	Present worth basis	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
9	Total refunds	XXXXXXXXXXXXXX	212,195.00
10	Transfers to Acct 265 - Contributions in Aid of Construction	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
12	Due to present worth discount	XXXXXXXXXXXXXX	0.00
13	Total transfers to Acct. 265	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
14	Securities Exchanged for Contracts (enter detail below)	XXXXXXXXXXXXXX	212,195.00
15	Subtotal - Charges during year	XXXXXXXXXXXXXX	7,362,235.00
16	Balance end of year		

If stock, bonds, etc., were issued in exchange for construction advance contracts give details below:

Line No.	Type of Security or Other Consideration (Other than Cash) (a)	Dividend or Interest Rate (b)	PUC Decision Number (c)	Amount Issued (d)
17	Common stock			
18	Preferred stock			
19	Bonds			
20	Other (describe)			
21				
22				

SCHEDULE A-35

Account 265 - 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 nondepreciable property (column d), to property retired prior to January 1, 1955 (column e), and to the estimated amount of depreciation accrued to January 1, 1955 (column f), shall be written off through charges to this account and credits to Account 250 - Reserve for Depreciation of Utility 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 250, 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 nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable 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.	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	1,449,652	1,429,513	20,139		
2	Add: Credits to account during year	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXX XX	XXXXXXXX XX
3	Contributions received during year	150,981	150,981		XXXXXX XX	XXXXXXXX XX
4	Other credits*	0				0
5	Total credits	150,981	150,981	0	0	0
6	Deduct: Debits to account during year	0	XXXXXXXX XX	XXXXXXXX XX	XXXXXX XX	XXXXXXXX XX
7	Depreciation charges for year	102,712	102,712	XXXXXXXX XX	XXXXXX XX	XXXXXXXX XX
8	Nondepreciable donated property retired	0	XXXXXXXX XX		XXXXXX XX	XXXXXXXX XX
9	Other debits*	0				0
10	Total debits	102,712	102,712	0	0	0
11	Balance end of year	1,497,921	1,477,782	20,139	0	0

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

SCHEDULE B-1
Account 501 - Operating Revenues

Line No.	Acct.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
1		I. WATER SERVICE REVENUES			
2	601	Metered sales to general customers			
3		601.1 Commercial sales	10,637,390	9,987,343	650,047
4		601.2 Industrial sales	2,869	2,756	113
5		601.3 Sales to public authorities	507,100	527,675	(20,575)
6		Sub-total	11,147,359	10,517,774	629,585
7	602	Unmetered sales to general customers			0
8		602.1 Commercial sales		0	0
9		602.2 Industrial sales		0	0
10		602.3 Sales to public authorities		0	0
11		Sub-total	0	0	0
12	603	Sales to irrigation customers			
13		603.1 Metered sales	325,685	309,731	15,954
14		603.2 Unmetered sales		0	0
15		Sub-total	325,685	309,731	15,954
16	604	Private fire protection service	65,853	62,767	3,086
17	605	Public fire protection service			0
18	606	Sales to other water utilities for resale			0
19	607	Sales to governmental agencies by contracts			0
20	608	Interdepartmental sales			0
21	609	Other sales or service	590,140	(4,196)	594,336
22		Sub-total	655,993	58,571	597,422
23		Total water service revenues	12,129,037	10,886,076	1,242,961
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	25,590	25,837	(247)
26	612	Rent from water property			0
27	613	Interdepartmental rents			0
28	614	Other water revenues	13,928	266	13,662
29		Total other water revenues	39,518	26,103	13,415
30	501	Total operating revenues	12,168,555	10,912,179	1,256,376

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

Line No.	Location (a)	Operating Revenues (b)
31	Operations not within incorporated cities ¹	
32	Regulatory balancing account	590,140
33		
34		
35	Operations within incorporated territory	11,554,515
36	City or town of APPLE VALLEY	23,900
37	City or town of VICTORVILLE	
38	City or town of	
39	City or town of	
40	City or town of	
41		
42		
43	Total	12,168,555
44		

¹ Should be segregated to operating districts.

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		I. SOURCE OF SUPPLY EXPENSE						
2		Operation						
3	701	Operation supervision and engineering	A	B		11,233	12,926	(1,693)
4	701	Operation supervision, labor and expenses			C			0
5	702	Operation labor and expenses	A	B				0
6	703	Miscellaneous expenses	A			638,564	490,931	147,633
7	704	Purchased water	A	B	C			0
8		Maintenance						0
9	706	Maintenance supervision and engineering	A	B				0
10	706	Maintenance of structures and facilities			C			0
11	707	Maintenance of structures and improvements	A	B				0
12	708	Maintenance of collect and impound reservoirs	A					0
13	708	Maintenance of source of supply facilities		B				0
14	709	Maintenance of lake, river and other intakes	A					0
15	710	Maintenance of springs and tunnels	A					0
16	711	Maintenance of wells	A			621	7,428	(6,807)
17	712	Maintenance of supply mains	A					0
18	713	Maintenance of other source of supply plant	A	B			94	(94)
19		Total source of supply expense				650,418	511,379	139,039
20		II. PUMPING EXPENSES						0
21		Operation						0
22	721	Operation supervision and engineering	A	B				0
23	721	Operation supervision labor and expense			C			0
24	722	Power production labor and expense	A					0
25	722	Power production labor, expenses and fuel		B				0
26	723	Fuel for power production	A					0
27	724	Pumping labor and expenses	A	B		129,613	110,522	19,091
28	725	Miscellaneous expenses	A			81,500	75,274	6,226
29	726	Fuel or power purchased for pumping	A	B	C	1,158,452	1,268,802	(110,350)
30		Maintenance						0
31	729	Maintenance supervision and engineering	A	B				0
32	729	Maintenance of structures and equipment			C			0
33	730	Maintenance of structures and improvements	A	B		49,038	36,337	12,701
34	731	Maintenance of power production equipment	A	B				0
35	732	Maintenance of pumping equipment	A	B		98,585	249,844	(151,259)
36	733	Maintenance of other pumping plant	A	B				0
37		Total pumping expenses				1,517,188	1,740,779	(223,591)

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Continued)

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		III. WATER TREATMENT EXPENSES						
2		Operation						
3	741	Operation supervision and engineering	A	B				
4	741	Operation supervision, labor and expenses			C			
5	742	Operation labor and expenses	A			90,438	127,132	(36,694)
6	743	Miscellaneous expenses	A	B		139	885	(746)
7	744	Chemicals and filtering materials	A	B		19,909	23,855	(3,946)
8		Maintenance						
9	746	Maintenance supervision and engineering	A	B			0	0
10	746	Maintenance of structures and equipment			C			
11	747	Maintenance of structures and improvements	A	B		149	4,512	(4,363)
12	748	Maintenance of water treatment equipment	A	B		10,802	11,157	(355)
13		Total water treatment expenses				<u>121,437</u>	<u>167,541</u>	<u>(46,104)</u>
14		IV. TRANS. AND DIST. EXPENSES						
15		Operation						
16	751	Operation supervision and engineering	A	B		82,987	103,246	(20,259)
17	751	Operation supervision, labor and expenses			C			
18	752	Storage facilities expenses	A			25,652	33,575	(7,923)
19	752	Operation labor and expenses			B			
20	753	Transmission and distribution lines expenses	A			121,124	111,201	9,923
21	754	Meter expenses	A			19,489	21,505	(2,016)
22	755	Customer installations expenses	A			71,861	53,772	18,089
23	756	Miscellaneous expenses	A			31,221	30,833	388
24		Maintenance						
25	758	Maintenance supervision and engineering	A	B				
26	758	Maintenance of structures and plant			C			
27	759	Maintenance of structures and improvements	A	B				
28	760	Maintenance of reservoirs and tanks	A	B		103	216	(113)
29	761	Maintenance of trans. and distribution mains	A			306,287	373,826	(67,539)
30	761	Maintenance of mains			B			
31	762	Maintenance of fire mains	A			0	1,184	(1,184)
32	763	Maintenance of services	A			63,298	65,531	(2,233)
33	763	Maintenance of other trans. and distribution plant			B			
34	764	Maintenance of meters	A			18,905	19,012	(107)
35	765	Maintenance of hydrants	A			28,258	24,263	3,995
36	766	Maintenance of miscellaneous plant	A			5,846	7,773	(1,927)
37		Total transmission and distribution expenses				<u>775,031</u>	<u>845,937</u>	<u>(70,906)</u>

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Concluded)

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		V. CUSTOMER ACCOUNT EXPENSES						
2		Operation						
3	771	Supervision	A	B		48,770	36,583	12,187
4	771	Superv., meter read., other customer acct expenses			C			0
5	772	Meter reading expenses	A	B		65,791	50,275	15,516
6	773	Customer records and collection expenses	A			289,561	235,773	53,788
7	773	Customer records and accounts expenses		B				0
8	774	Miscellaneous customer accounts expenses	A			2,464	5,569	(3,105)
9	775	Uncollectible accounts	A	B	C	30,177	20,776	9,401
10		Total customer account expenses				436,763	348,976	87,787
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B				
14	781	Sales expenses			C			
15	782	Demonstrating and selling expenses	A			22,281	16,626	5,655
16	783	Advertising expenses	A					0
17	784	Miscellaneous sales expenses	A					0
18	785	Merchandising, jobbing and contract work	A					0
19		Total sales expenses				22,281	16,626	5,655
20		VII. ADMIN. AND GENERAL EXPENSES						
21		Operation						
22	791	Administrative and general salaries	A	B	C	469,360	461,430	7,930
23	792	Office supplies and other expenses	A	B	C	209,684	169,969	39,715
24	793	Property insurance	A			6,247	958	5,289
25	793	Property insurance, injuries and damages		B	C			0
26	794	Injuries and damages	A			542,951	387,626	155,325
27	795	Employees' pensions and benefits	A	B	C	798,210	681,670	116,540
28	796	Franchise requirements	A	B	C	114,411	109,697	4,714
29	797	Regulatory commission expenses	A	B	C	90,709	88,417	2,292
30	798	Outside services employed	A			312,535	56,037	256,498
31	798	Miscellaneous other general expenses		B				0
32	798	Miscellaneous other general operation expenses			C			0
33	799	Miscellaneous general expenses	A			30,859	33,607	(2,748)
34		Main Office Allocation				1,200,492	1,113,723	86,769
35	805	Maintenance of general plant	A	B	C	143,482	122,168	21,314
36		Total administrative and general expenses				3,918,940	3,225,302	693,638
37		VIII. MISCELLANEOUS						
38	811	Rents	A	B	C	1,300	1,300	0
39	812	Administrative expenses transferred - Cr.	A	B	C	(214,509)	(183,288)	(31,221)
40	813	Clearing expense	A	B	C	345,525	336,338	9,187
41		Total miscellaneous				132,316	154,350	(22,034)
42		Total operating expenses				7,574,374	7,010,890	563,484

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

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

SCHEDULE B-4
Account 507 - Taxes Charged During Year

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.
 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.

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 24.
 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.

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (b)	DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)			
			Water (Account 507) (c)	Nonutility (Account 521) (d)	Other (Account ----) (e)	Capitalized (Omit Account) (f)
9	Taxes on real and personal property	236,268	236,268			
10	State corp. franchise tax	158,688	158,688		153	291
11	State unemployment insurance tax	2,966	2,522			
12	Other state and local taxes	8,442	8,442		86	166
13	Federal unemployment insurance tax	2,005	1,753		5,619	11,159
14	Federal insurance contributions act	150,011	133,234			
15	Other federal taxes	0				
16	Federal income tax	3,729,312	3,729,312			
17						
18						
19						
20						
21						
22	Totals	4,287,693	4,270,219	0	5,857	11,616

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.

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-

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

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

SCHEDULE B-6
Account 521 - Income from Nonutility Operations

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

SCHEDULE B-7
Account 526 - Miscellaneous Nonoperating Revenue

Line No.	Description (a)	Amount (b)
6	SPLIT DOLLAR LIFE INSURANCE	(1,815)
7		
8		
9		
10		
11		
12		
13	Totals	(1,815)

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

Line No.	Description (a)	Amount (b)
14	APPLE VALLEY RESOURCES ACQUIS.-AMORTIZATION	(810)
15	AMORTIZATION OF ORGANIZATION COSTS	(6,774)
16	AMORTIZATION OF LEASED WATER RIGHTS	(1,714)
17		
18	Total	(9,298)

SCHEDULE B-9
Account 535 - Other Interest Charges

Line No.	Description (a)	Amount (b)
19	CUSTOMER DEPOSITS	3,583
20		
21		
22	Total	3,583

SCHEDULE B-10
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
23	WATER ASSOCIATION DUES	1,394
24	MISCELLANEOUS DONATIONS	12,675
25	SPLIT DOLLAR LIFE INSURANCE	177
26	PROPERTY TAX AMORTIZATION	2,663
27	Total	16,909

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 respondents 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	
Line No.		
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?
2		
3	Answer (Yes or No)	YES
4	2	Name of each organization or person that was a party to such a contract or agreement
5		APPLE VALLEY RANCHOS WATER & PARK WATER COMPANY
6	3	Date of original contract or agreement. 5/21/1987
7	4	Date of each supplement or agreement.
8		Note: File with the 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.
9		
10		
11	5	Amount of compensation paid during the year for supervision or management 1,862,379
12	6	To whom paid
13	7	Nature of payment (salary, traveling expenses, etc.)
14	8	Amounts paid for each class of service
15		
16	9	Base for determination of such amounts DIRECT CHARGE FOR IDENTIFIABLE COSTS PLUS PERCENTAGE
17		ALLOCATION FOR OTHER COSTS BY PARK WATER COMPANY
18	10	Distribution of payments: 1,846,754
19	(a)	Charged to operating expenses 15,625
20	(b)	Charged to capital accounts
21	(c)	Charged to other accounts
22		Total 1,862,379
23	11	Distribution of charges to operating expenses by primary accounts.
24		Number and Title of Account
25		SEE ATTACHED PAGE
26		
27		
28		Total
29	12	What relationship, if any, exists between respondent and supervisory and/or managing concerns?
30		PARK WATER IS SOLE SHAREHOLDER OF APPLE VALLEY STOCK

SCHEDULE C-1
Engineering and Management Fees and Expenses, etc., During Year

ACCT. NO.	DESCRIPTION	AMOUNT
103	CAPITAL	15,625
507	PAYROLL TAXES	8,121
701	SOURCE OF SUPPLY OPERATIONS	11,233
721	PUMPING-OPERATIONS	0
751	T&D OPERATIONS	15,410
773	CUSTOMER RECORDS & COLLECTIONS	14,460
791	A&G SALARIES	80,949
792	A&G OFFICE EXPENSE	27,753
793	INJURIES & DAMAGES	382,708
795	EMPLOYEE PENSION & BENEFITS	49,297
798	OUTSIDE SERVICES	58,926
799	OTHER A&G	4,060
	MAIN OFFICE ALLOCATION	1,189,345
903	TRANSPORTATION CLEARINGS	4,492
	TOTAL	1,862,379

SCHEDULE C-2

Compensation of Individual Proprietor or Partner

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)
1			
2			
3	NOT APPLICABLE		
4			
5			
6	Total		

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)	Total Salaries and Wages Paid During Year (c)
7	Employees - Source of supply		
8	Employees - Pumping	4.00	218,055
9	Employees - Water treatment	1.00	54,514
10	Employees - Transmission and distribution	14.00	763,192
11	Employees - Customer account	4.00	218,054
12	Employees - Sales		
13	Employees - Administrative		
14	General officers	1.00	109,853
15	General office	10.00	545,137
16	Totals	34.00	1,908,805.00

SCHEDULE C-4

Record of Accidents During Year

Line No.	Date 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)
17	Jan. - Apr.								3	281
18	May - Aug.								10	2,134
19	Sept. - Dec.								11	3,832
20	Totals								24	6,247

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

SCHEDULE C-5 Expenditures for Political Purposes

Hereunder report all direct or indirect expenditures incurred or made to elect or defeat a candidate for public office; or to place any measure on the ballot; at any election, or to keep it from being placed on the ballot at any election, or to support or defeat any measure on the ballot; at an election, or to support or defeat any proposed legislation, also name the account or accounts to which the expenditures herein mentioned have been charged. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

1	
2	
3	NONE
4	
5	

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

Show hereunder the amount of loans to directors, or officers, or shareholders and the terms and conditions of such loans. Among other things, show the name of each director, or officer, or shareholder, receiving a loan or loans, the amount of each loan, the rate of interest payable on such loan or loans, the maturity date of each loan or loans, the security given and the date when the shareholders authorized each loan. If such authorization was given. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

6	
7	
8	NONE
9	
10	
11	

SCHEDULE C-7 Bonuses Paid to Executives & Officers

Show hereunder the amount of bonuses paid to Executives and Officers, both cash and non-cash. List by the name of each Executive or Officer receiving the bonus, the dollar value of that bonus, and a description of the bonus if it is non-cash.

12	
13	
14	
15	NONE
16	
17	

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									
4									
5									
WELLS							Annual Quantities Pumped(Unit) ²	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	¹ Depth to Water	Pumping Capacity(Unit) ²			
6									
7	PLEASE SEE LIST ON PAGE 40a.								
8									
9									
10									
TUNNELS AND SPRINGS				FLOW IN(Unit) ²		Annual Quantities Used(Unit) ²	Remarks		
Line No.	Designation	Location	Number	Maximum	Minimum				
11	NONE								
12									
13									
14									
15									

Purchased Water for Resale

16	Purchased from	NONE	
17	Annual quantities purchased		(Unit chosen) ²
18			
19			

* State ditch, pipe line, reservoir, etc., with name, if any.

¹ Average depth to water surface below ground surface.

² The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 42,560 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. 2003					
Well No.	Location	Casing Dimension	Depth to Water	Gallons Per Minute	Annual Production 100 Cu. Ft.
4	Ptn SW 1/4	20"	162'	1,021	84,286
7	Ptn NW 1/4	14"	61'	258	12,080
9	Lot 262, Tr	14"	231'	874	268,607
10R	Lot 10, Tra	10"	171'	531	349,008
11R	Lot 971, Tr	18"	222'	1,938	840,391
12	Ptn NE 1/4	16"	93'	996	270,206
15	Ptn NE 1/4	16"	148'	0	0
16	Ptn SE 1/4	16"	84'	1,148	136,459
17	Ptn SW 1/4	16"	64'	650	177,810
18	Lot 360, Tr	16"	68'	939	426,700
19	Lot 1059, T	16"	203'	718	85,193
20	Ptn SW1/4	16"	88'	687	193,926
21	Ptn NW1/4	20"	189'	1,632	481,584
22	Ptn NE 1/4	20"	192'	1,677	755,923
23	Lot 335, Tr	20"	118'	376	115,625
24	Ptn NW 1/4	14"	202'	824	470,483
25	18555 Tus	16"	79'	497	199,987
26	18588 Sen	20"	108'	1,684	776,388
28	Riverside C	18"	92'	863	346,280
29	19237 Yuc	20"	80'	2,191	531,620
30	11401 App	14"	96'	962	115,122
31	Apple Valle	14"	59'	0	0
32	19382 Del	10"	77'	415	129,646
3	Agricultura	18"	63'	1,000	0
4	Agricultura	18"	80'	876	612,969
5	Agricultura	18"	85'	2,566	1,969,701
TOTALS				25,323	9,349,994

SCHEDULE D-3

Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES
Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.	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	NONE							
3 Lined conduit								
4								
5 Totals								

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded
Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.	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								
9								
10 Totals								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING

Line No.	1	1 1/2	2	2 1/2	3	4	5	6	8
11 Ductile Iron									588
12 Cast Iron (cement lined)									
13 Gravity Irig.									
14 PVC DR 25									
15 Riveted steel									
16 Standard screw									
17 Screw or welded casing									
18 Cement - asbestos						169		46,624	42,218
19 Welded steel	1,150	2,900	19,793		18,426	261,017	20,659	264,407	142,362
20 PVC CL 200			4,409			432		163,362	36,533
21 PVC 900			2,800		2,020	11,546		171,138	294,054
22 Totals	1,150	2,900	27,002		20,446	273,164	20,659	645,531	515,755

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Concluded

Line No.	Other Sizes (Specify Sizes)									Totals All Sizes
	10	12	14	16	18	20	24	30		
23 Ductile Iron		1,400	1,074	13,689		159				16,910
24 Cast Iron (cement lined)							3,785	1,780		11,155
25 Gravity Irig.		5,590								21,967
26 PVC DR 25				16,580	5,387					
27 Riveted steel										
28 Standard screw										
29 Screw or welded casing										
30 Cement - asbestos	3,662	83,380	24,169	7,420						207,642
31 Welded steel		154,319	7,127							892,160
32 PVC CL 200		23,851	69							228,656
33 PVC 900	1,437	208,024	34,083	4,176	33					729,311
34 Totals	5,099	476,564	66,522	41,865	5,420	159	3,785	1,780		2,107,801

**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)	14,062	15,892		
Industrial	2	2		
Public authorities	43	45		
Irrigation	63	65		
Other (specify)	2	1		
Subtotal	14,172	16,005		
Private fire connections	93	95		
Public fire hydrants	1,985	2,014		
Total	16,250	18,114		

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

Size	Meters	Services
5/8 x 3/4-in.	14,007	xxxxxxxxxxxxxxxxxxxx
3/4-in.	603	
1-in.	1,305	
1-1/2-in.	147	
2-in.	139	
3-in.	71	
4-in.	35	
6-in.	62	
8-in.	24	
10- & 12-in.	1	
Total	16,394	

**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	<u>3,357</u>
2. Used, before repair	<u> </u>
3. Used, after repair	<u> 6</u>
4. Found fast, requiring billing adjustment	
B. Number of Meters in Service Since Last Test	
1. Ten years or less	<u>14,696</u>
2. More than 10, but less than 15 years	<u>1,109</u>
3. More than 15 years	<u>589</u>

SCHEDULE D-7

Water delivered to Metered Customers by Months and Years in Ccf (Unit Chosen)¹

Classification of Service	During Current Year												Subtotal	
	January	February	March	April	May	June	July	August	September	October	November	December		
Commercial	248,663	321,166	207,372	327,543	299,513	594,845	539,543							2,538,645
Industrial	0	199	0	90	0	211								400
Public authorities	12,773	6,901	6,254	8,214	16,201	29,263	46,093							125,699
Irrigation-Landscape	7,551	501	4,674	672	10,338	2,002	27,332							53,070
Irrigation-Reclaimed	17,595	0	25,385	0	41,945	0	67,149							152,074
Total	286,582	328,667	243,685	336,519	367,997	626,321	680,117							2,869,888

Classification of Service	During Current Year						Total	Prior Year
	August	September	October	November	December	Subtotal		
Commercial	820,222	568,295	694,307	439,698	390,274	2,912,796	5,451,441	5,465,645
Industrial	385	0	348	0	209	942	1,342	1,175
Public authorities	45,723	48,317	36,515	33,941	16,849	181,345	307,044	351,159
Irrigation-Landscape	3,549	34,675	3,019	28,084	3,240	72,567	125,637	128,942
Irrigation-Reclaimed		88,623	0	65,091	0	153,714	305,788	224,102
Total	869,879	739,910	734,189	566,814	410,572	3,321,364	6,191,252	6,171,023

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

Total acres irrigated

0

Total Population served:

45,200

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: 1/14/1957 | 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? | 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	40,605
Graffiti Removal	983
Parking Lot maintenance	4,687
Miscellaneous	<u>2,066</u>
	48,341

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

SCHEDULE E-1
Balancing & Memorandum Accounts

Line No.	Description (a)	Authorized by Decision or Resolution No. (b)	Beginning of Year Balance (c)	Offset Revenues (d)	Offset Expenses (e)	Interest (f)	Surcharge (g)	Surcredit (h)	End of Year Balance (i)
1	2001 Bal. Acct.-Domestic	See footnote	142,616			4,260			146,876
2	2001 Bal. Acct.-Irrigation	See footnote	240,935			7,196			248,131
3	2003 Memo Acct.-Domestic	See footnote	0		171,091	453			171,544
4	2003 Memo Acct.-Irrigation	See footnote	0		34,028	163			34,191
5	Water Quality Memo Acct.	W-4094	23,950			267			24,217
6									
7									
8									

Note 1: For Columns d, e, f, g, & h, provide those amounts booked in the current year.

Note 2: The detail for each individual account includes the Beginning of Year Balance, End of Year Balance, each Offset Expense adjustment during the year, each Offset Revenue adjustment during the year, each Surcharge adjustment during the year, each Surcredit adjustment during the year, and the decision or resolution number associated with each item of detail.

Footnotes to Schedule E-1

Approval of these accounts are pending.

A Memorandum to the Commission entitled, "Procedures For Maintaining Balancing Accounts for Water Utilities", dated May 31, 1983, authorized these accounts.

Apple Valley did not book the 2002 under collections (\$415,781-Domestic, \$17,595-Irrigation) in its production cost memorandum accounts because approval is pending.

DECLARATION

Before Signing, Please Check to See That All Schedules Have Been Completed

I, the undersigned _____ Officer
Officer, Partner or Owner

of _____ Apple Valley Ranchos Water Company
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 from and including January 1, 2003 to and including December 31, 2003.

SIGNED Jack R. Clarke
Title General Manager/Vice President
Date 4-29-04

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