

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: KAYODE KAJOPAIYE
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 2005

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 2005 Annual Report)

	1/1/2005	12/31/2005	Average
BALANCE SHEET DATA			
1 Intangible Plant	273,443	273,443	273,443
2 Land and Land Rights	3,608,923	3,700,123	3,654,523
3 Depreciable Plant	53,385,914	62,201,859	57,793,887
4 Gross Plant in Service	57,268,280	66,175,425	61,721,853
5 Less: Accumulated Depreciation	(13,019,753)	(13,906,132)	(13,462,942)
6 Net Water Plant in Service	44,248,527	52,269,293	48,258,910
7 Water Plant Held for Future Use	0	202,348	101,174
8 Construction Work in Progress	789,570	4,579,762	2,684,666
9 Materials and Supplies	222,190	319,704	270,947
10 Less: Advances for Construction	(9,464,300)	(16,350,070)	(12,907,185)
11 Less: Contributions in Aid of Construction	(1,579,443)	(1,842,482)	(1,710,963)
12 Less: Accumulated Deferred Income and Investment Tax Credits	(7,083,163)	(7,163,657)	(7,123,410)
13 Net Plant Investment	27,133,381	32,014,898	29,574,139
CAPITALIZATION			
14 Common Stock	3,750	3,750	3,750
15 Proprietary Capital (Individual or Partnership)			0
16 Paid-in Capital	5,862,976	5,862,976	5,862,976
17 Retained Earnings	18,936,818	21,436,924	20,186,871
18 Common Stock and Equity (Lines 14 through 17)	24,803,544	27,303,650	26,053,597
19 Preferred Stock			0
20 Long-Term Debt	0	0	0
21 Notes Payable			0
22 Total Capitalization (Lines 18 through 21)	24,803,544	27,303,650	26,053,597

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

2005

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

	Annual Amount			
INCOME STATEMENT				
23	Unmetered Water Revenue			0
24	Fire Protection Revenue			81,791
25	Irrigation Revenue			494,649
26	Metered Water Revenue			13,904,381
27	Total Operating Revenue			<u>14,480,821</u>
28	Operating Expenses			8,489,507
29	Depreciation Expense (Composite Rate 2.78%)			1,382,595
30	Amortization and Property Losses			
31	Property Taxes			281,219
32	Taxes Other Than Income Taxes			166,367
33	Total Operating Revenue Deduction Before Taxes			10,319,688
34	California Corp. Franchise Tax			261,187
35	Federal Corporate Income Tax			1,364,573
36	Total Operating Revenue Deduction After Taxes			11,945,448
37	Net Operating Income (Loss) - California Water Operations			2,535,373
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)			(26,684)
39	Income Available for Fixed Charges			2,508,689
40	Interest Expense			8,583
41	Net Income (Loss) Before Dividends			2,500,106
42	Preferred Stock Dividends			
43	Net Income (Loss) Available for Common Stock			<u>2,500,106</u>
OTHER DATA				
44	Refunds of Advances for Construction			291,953
45	Total Payroll Charged to Operating Expenses			2,166,902
46	Purchased Water			0
47	Power			1,062,897
48	Class A Water Companies Only:			
	a. Pre-TRA 1986 Contributions in Aid of Construction			929,574
	b. Pre-TRA 1986 Advances for Construction			23,160
	c. Post TRA 1986 Contributions in Aid of Construction			912,908
	d. Post TRA 1986 Advances for Construction			16,326,910
				<u>16,326,910</u>
	Active Service Connections (Exc. Fire Protect.)			
		<u>Jan. 1</u>	<u>Dec. 31</u>	<u>Annual Average</u>
49	Metered Service Connections	16,844	17,923	17,384
50	Flat Rate Service Connections			
51	Total Active Service Connections	<u>16,005</u>	<u>17,923</u>	<u>17,384</u>

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

Adjusted to Exclude Non-Regulated Activity
Year 2005

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 2005 Annual Report)

	1/1/2005	12/31/2005	Average
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13 Net Plant Investment	27,133,381	32,014,898	29,574,139
CAPITALIZATION			
14 Common Stock	3,750	3,750	3,750
15 Proprietary Capital (Individual or Partnership)			0
16 Paid-in Capital	5,862,976	5,862,976	5,862,976
17 Retained Earnings	18,936,818	21,436,924	20,186,871
18 Common Stock and Equity (Lines 14 through 17)	24,803,544	27,303,650	26,053,597
19 Preferred Stock			0
20 Long-Term Debt	0	0	0
21 Notes Payable			0
22 Total Capitalization (Lines 18 through 21)	24,803,544	27,303,650	26,053,597

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

Adjusted to Exclude Non-Regulated Activity
2005

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	81,791
25	Irrigation Revenue	494,649
26	Metered Water Revenue	13,904,381
27	Total Operating Revenue	<u>14,480,821</u>
28	Operating Expenses	8,489,507
29	Depreciation Expense (Composite Rate 2.78%)	1,382,595
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31	Property Taxes	281,219
32	Taxes Other Than Income Taxes	166,367
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34	California Corp. Franchise Tax	261,187
35	Federal Corporate Income Tax	1,364,573
36	Total Operating Revenue Deduction After Taxes	11,945,448
37	Net Operating Income (Loss) - California Water Operations	2,535,373
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	0
39	Income Available for Fixed Charges	2,535,373
40	Interest Expense	8,583
41	Net Income (Loss) Before Dividends	2,526,790
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	<u>2,526,790</u>
OTHER DATA		
44	Refunds of Advances for Construction	291,953
45	Total Payroll Charged to Operating Expenses	2,166,902
46	Purchased Water	0
47	Power	1,062,897
48	Class A Water Companies Only:	
	a. Pre-TRA 1986 Contributions in Aid of Construction	929,574
	b. Pre-TRA 1986 Advances for Construction	23,160
	c. Post TRA 1986 Contributions in Aid of Construction	912,908
	d. Post TRA 1986 Advances for Construction	16,326,910
		<u>17,384</u>
		Annual Average
	Active Service Connections (Exc. Fire Protect.)	Annual Average
49	Metered Service Connections	16,844
50	Flat Rate Service Connections	17,923
51	Total Active Service Connections	<u>16,005</u> <u>17,923</u> 17,384

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	(\$194) Non-utility income
2 Line 38 Nextel lease	9,933 Non-utility income
3 Line 38 Amortization-acquisition, organization costs, leased water rights, property taxes.	(12,457) Non-utility expense
4 Line 38 Water Association Dues	(722) Non-utility expense
5 Line 38 Charitable Contributions	(23,244) Non-utility expense
Total	(\$26,684)

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Total Expenses incurred to provide Non-Tariffed Good/Service (by Account)	Total Income Tax Liability incurred because of non-tariffed Good/Service (by Account)	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account).	Regulated Asset Account Number
	Communications Site-Lease Agreement with Nextel	Passive	13,662	0	4,645	n/a	n/a
			5804		4102.99		

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023. Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter

(A) Approval by Advice Letter was not required by CPUC
 (B) No assets are exclusively involved in this activity.

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
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:
(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:

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	70,976,165	58,077,290
3	107	Utility plant adjustments		(86,598)	(78,110)
4		Total utility plant		70,889,567	57,999,180
5	250	Reserve for depreciation of utility plant	12	(13,906,132)	(13,019,753)
6	251	Reserve for amortization of limited term utility investments	12	0	0
7	252	Reserve for amortization of utility plant acquisition adjustment	12		
8		Total utility plant reserves		(13,906,132)	(13,019,753)
9		Total utility plant less reserves		56,983,435	44,979,427
10					
11		II. INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	10	310,459	310,459
13	253	Reserve for depreciation and amortization of other property	12		
14		Other physical property less reserve		310,459	310,459
15	111	Investments in associated companies	13		
16	112	Other investments	13		
17	113	Sinking funds	14		
18	114	Miscellaneous special funds	14		
19		Total investments and fund accounts		310,459	310,459
20					
21		III. CURRENT AND ACCRUED ASSETS			
22	120	Cash		(20,381)	(23,577)
23	121	Special deposits	15		
24	122	Working funds		1,150	1,000
25	123	Temporary cash investments			
26	124	Notes receivable	15		
27	125	Accounts receivable		1,124,837	915,134
28	126	Receivables from associated companies	17	0	266,089
29	131	Materials and supplies		319,704	222,190
30	132	Prepayments	17	256,385	237,972
31	133	Other current and accrued assets	17		
32		Total current and accrued assets		1,681,695	1,618,808
33					
34		IV. DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	18		
36	141	Extraordinary property losses	19	0	0
37	142	Preliminary survey and investigation charges		631	24,961
38	143	Clearing accounts			
39	145	Other work in progress			
40	146	Other deferred debits	19	938,242	1,060,519
41		Total deferred debits		938,873	1,085,480
42		Total assets and other debits		59,914,462	47,994,174
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	21,436,924	18,936,818
10		Total corporate capital and surplus		27,303,650	24,803,544
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			
18	210	Bonds	22		
19	211	Receivers' certificates			
20	212	Advances from associated companies	24		0
21	213	Miscellaneous long-term debt	24		
22		Total long-term debt		0	0
23					
24		IV. CURRENT AND ACCRUED LIABILITIES			
25	220	Notes payable	23		
26	221	Notes receivable discounted			
27	222	Accounts payable		422,413	426,137
28	223	Payables to associated companies	23	669,645	
29	224	Dividends declared			
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		138,874	105,658
33	228	Taxes accrued	26	156,576	144,393
34	229	Interest accrued		4,916	3,540
35	230	Other current and accrued liabilities	25	921,100	744,169
36		Total current and accrued liabilities		2,313,524	1,423,897
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	17		
40	241	Advances for construction	27	16,350,070	9,464,300
41	242	Other deferred credits	28	12,104,736	10,722,990
42		Total deferred credits		28,454,806	20,187,290
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	1,842,482	1,579,443
54		Total liabilities and other credits		59,914,462	47,994,174

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	14,480,821
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	31-33	8,489,507
6	503	Depreciation	12	1,382,595
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	2,073,346
11		Total operating revenue deductions		<u>11,945,448</u>
12		Net operating revenues		2,535,373
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		<u>2,535,373</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	9,933
24	527	Nonoperating revenue deductions - Dr.	36	<u>(9,298)</u>
25		Total other income		635
26		Net income before income deductions		<u>2,536,008</u>
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		(875)
34	535	Other interest charges	36	9,458
35	536	Interest charged to construction - Cr.		
36	537	Miscellaneous amortization		
37	538	Miscellaneous income deductions	36	27,319
38		Total income deductions		<u>35,902</u>
39		Net income		2,500,106
40				
41		IV. DISPOSITION OF NET INCOME		
42	540	Miscellaneous reservations of net income		
43				
44		Balance transferred to Earned Surplus or		2,500,106
45		Proprietary Accounts scheduled on page 21		
46				

SCHEDULE A-1
Account 100 - Utility Plant

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)	57,268,280	9,605,422	698,277	0	66,175,425
2	100 - 2	Utility plant leased to others	0				0
3	100 - 3	Construction work in progress	789,570	3,790,192	xxxxxxxx		4,579,762
4	100 - 4	Utility plant held for future use (Sch A-1c)	0	202,348			202,348
5	100 - 5	Utility plant acquisition adjustments	19,440		xxxxxxxx	(810)	18,630
6	100 - 6	Utility plant in process of reclassification	0				0
7		Total utility plant	58,077,290	13,597,962	698,277	(810)	70,976,165

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)					
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	3,608,923	91,200			3,700,123
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	2,212,228	55,374	87,273		2,180,329
23	316	Supply mains	0				0
24	317	Other source of supply plant	134,842				134,842
25		Total source of supply plant	2,397,067	55,374	87,273	0	2,365,168
26							
27		IV. PUMPING PLANT					
28	321	Structures and improvements	1,066,302	42,823	14,136		1,094,989
29	322	Boiler plant equipment	0				0
30	323	Other power production equipment	0				0
31	324	Pumping equipment	2,859,762	483,907	168,133		3,175,536
32	325	Other pumping plant					
33		Total pumping plant	3,926,064	526,730	182,269	0	4,270,525
34							
35		V. WATER TREATMENT PLANT					
36	331	Structures and improvements					
37	332	Water treatment equipment	742,456	102,964	8,037		837,383
38		Total water treatment plant	742,456	102,964	8,037	0	837,383

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		800	(A) 1,575	1,634,599
4	343	Transmission and distribution mains	29,463,734	6,364,789	270,592		35,557,931
5	344	Fire mains	0				0
6	345	Services	5,864,207	1,112,493	67,242		6,909,458
7	346	Meters	1,083,700	174,762	38,479		1,219,983
8	347	Meter installations	0				0
9	348	Hydrants	3,937,430	815,381	42,232		4,710,579
10	349	Other transmission and distribution plant	1,575			(A) (1,575)	0
11		Total transmission and distribution plant	41,984,470	8,467,425	419,345	0	50,032,550
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	1,054,681	3,087			1,057,768
15	372	Office furniture and equipment	507,255	181,750			689,005
16	373	Transportation equipment	706,981	24,173			731,154
17	374	Stores equipment	0				0
18	375	Laboratory equipment	887				887
19	376	Communication equipment	490,778	135,962			626,740
20	377	Power operated equipment	1,099,624				1,099,624
21	378	Tools, shop and garage equipment	99,486	16,757	1,353		114,890
22	379	Other general plant	0				0
23		Total general plant	3,959,693	361,729	1,353		4,320,069
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	57,268,280	9,605,422	698,277	0	66,175,425

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	xxxxxxxxxxxxxxxxxxxxxxxx			

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

(A) The amount of \$1,575 included in account 349 was reclassified to account 342; this was erroneously included in additions to account 349 on the 2002 annual report, and has been carried over in error until the present time.

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	WELL SITE-SCHAEFFER PROPERTY		Estimated 2009	202,348
2				
3				
4				
5				
6				
7				
8	Total			202,348

SCHEDULE A-2
Account 110 - Other Physical Property

Line No.	Name and Description of Property (a)	Book value, end of year (b)
9	LAND	310,459
10		
11		
12		
13		
14		
15	Total	310,459

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			
4		Plant in Service		66,175,425	62,878,602
5		Construction Work in Progress		4,579,762	1,433,526
6		General Office Prorate		2,219,148	1,994,987
7		Total Gross Plant (Line 4 + Line 5 + Line 6)		72,974,335	66,307,115
8					
9		Less Accumulated Depreciation			
10		Plant in Service		13,906,132	13,019,753
11		General Office Prorate		973,220	817,459
12		Total Accumulated Depreciation (Line 10 + Line 11)		14,879,352	13,837,212
13					
14		Less Other Reserves			
15		Deferred Income Taxes		7,334,327	7,025,731
16		Deferred Investment Tax Credit		(170,670)	57,432
17		Other Reserves			
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		7,163,657	7,083,163
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		1,842,482	1,579,443
22		Advances for Construction		16,350,070	9,464,300
23		Other			
24		Total Adjustments (Line 21 + Line 22 + Line 23)		18,192,552	11,043,743
25					
26		Add Materials and Supplies		319,704	222,190
27					
28		Add Working Cash (From Schedule A-1d(2))		1,670,958	1,651,658
29					
30		TOTAL RATE BASE			
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28		34,729,436	36,216,845
32					
33					
34					
35					
36					
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43					
44					
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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.		8,445,757	8,394,223
5		2. Purchased Power & Commodity for Resale*		1,062,897	1,165,661
6		3. Meter Revenues: Bimonthly Billing		14,369,369	13,475,220
7		4. Other Revenues: Flat Rate Monthly Billing		0	0
8		5. Total Revenues (3 + 4)		14,369,369	13,475,220
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)		0	0
10		7. $5/24 \times \text{Line 1} \times (100\% - \text{Line 6})$		1,759,533	1,748,796
11		8. $1/24 \times \text{Line 1} \times \text{Line 6}$		0	0
12		9. $1/12 \times \text{Line 2}$		88,575	97,138
13		10. Operational Cash Requirement (7 + 8 - 9)		1,670,958	1,651,658
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					
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54					

SCHEDULE A-3
Accounts 250 to 253, Inclusive - Depreciation and Amortization Reserves

Line No.		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	13,019,753	0	0	0
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505 ⁽¹⁾	1,382,595			
4	(b) Charged to Account 265	112,017			
5	(c) Charged to clearing accounts	109,666			
6	(d) Salvage recovered	5,801			
7	(e) All other credits ⁽²⁾				
8	Total credits	1,610,079	0	0	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	698,277			
11	(b) Cost of removal	25,423			
12	(c) All other debits ⁽³⁾				
13	Total debits	723,700	0	0	0
14	Balance in reserve at end of year	13,906,132	0	0	0
15					
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE: 2.78 %				
17					
18	(2) EXPLANATION OF ALL OTHER CREDITS:				
19					
20	(3) EXPLANATION OF ALL OTHER DEBITS:				
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					
2	311	Structures and improvements	35,882	1,615			37,497
3	312	Collecting and impounding reservoirs	0				0
4	313	Lake, river and other intakes	0				0
5	314	Springs and tunnels	0				0
6	315	Wells	599,904	53,070	87,273		565,701
7	316	Supply mains	0				0
8	317	Other source of supply plant	17,471	3,519			20,990
9		Total source of supply plant	653,257	58,204	87,273	0	624,188
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	174,697	35,769	14,136		196,330
13	322	Boiler plant equipment	0				0
14	323	Other power production equipment	0				0
15	324	Pumping equipment	0				0
16	325	Other pumping plant	651,856	107,512	168,133		591,235
17		Total pumping plant	826,553	143,281	182,269	0	787,565
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements					
21	332	Water treatment equipment	54,936	28,261	8,037		75,160
22		Total water treatment plant	54,936	28,261	8,037	0	75,160
23							
24		IV. TRANS. AND DIST. PLANT					
25	341	Structures and improvements	0				0
26	342	Reservoirs and tanks	460,182	32,176	800	(16,787)	474,771
27	343	Transmission and distribution mains	7,516,013	780,038	270,592	(7,917)	8,017,542
28	344	Fire mains	0				0
29	345	Services	1,007,877	163,084	67,242		1,103,719
30	346	Meters	(56,253)	36,549	38,479	5,801	(52,382)
31	347	Meter installations	0				0
32	348	Hydrants	767,868	98,625	42,231	(719)	823,543
33	349	Other transmission and distribution plant	0				0
34		Total trans. and distribution plant	9,695,687	1,110,472	419,344	(19,622)	10,367,193
35							
36		V. GENERAL PLANT					
37	371	Structures and improvements	265,139	31,370			296,509
38	372	Office furniture and equipment	295,685	67,813			363,498
39	373	Transportation equipment	563,993	39,261			603,254
40	374	Stores equipment	0				0
41	375	Laboratory equipment	642	47			689
42	376	Communication equipment	227,406	40,119			267,525
43	377	Power operated equipment	325,998	63,448			389,446
44	378	Tools, shop and garage equipment	42,747	6,956	1,354		48,349
45	379	Other general plant	0				0
46	390	Other tangible property	67,710	15,046			82,756
47	391	Water plant purchased	0				0
48		Total general plant	1,789,321	264,060	1,354	0	2,052,027
49							
		Total	13,019,753	1,604,278	698,277	(19,622)	13,906,132

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-8
Account 121 - Special Deposits**

Name of Depository (a)	Purpose of Deposit (b)	Balance End of Year (c)
NONE		

**SCHEDULE A-9
Account 124 - Notes Receivable**

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

SCHEDULE A-11
Account 132 - Prepayments

Item (a)	Amount (b)
INSURANCE	91,685
TAXES	148,135
POSTAGE	702
OTHER	15,863
Totals	256,385

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			

SCHEDULE A-15
Account 146 - Other Deferred Debits

Line No.	Item (a)	Balance End of year (b)
5	RATE CASE	162,600
6	CATASTROPHIC ILLNESS	24,632
7	PAID TIME OFF	155,721
8	SPLIT DOLLAR LIFE INSURANCE	32,604
9	REGULATORY ACCOUNTS	555,359
10	MISCELLANEOUS DEFERRED DEBITS	7,326
	Total	938,242

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 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	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	18,936,818
13		CREDITS	
14	400	Credit balance transferred from income account	2,500,106
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	2,500,106
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	
23	414	Miscellaneous debits to surplus (detail)	
24			
25		Total debits	0
26		Balance end of year	21,436,924

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-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-24
Account 210 - Bonds

Line No.	Class of Bond (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding 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	NONE				
10					
11					
12					
13	Totals				

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	PARK WATER COMPANY	669,645	Variable	875	
11					
12					
13					
14	Totals	669,645			

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

Line Description No. (a)	Balance End of Year (c)
15 ACCRUED PAID TIME OFF	155,721
16 FRANCHISE FEE	141,343
17 ACCRUED PAYROLL	41,749
18 ACCRUED CATASTROPHIC ILLNESS	24,632
19 REPLENISHMENT CHARGES (INCLUDES MAKE-UP ASSESSMENTS)	396,807
20 CALIFORNIA PUC SURCHARGE	52,092
21 POST RETIREMENT BENEFITS OTHER THAN PENSION	107,451
22 MISCELLANEOUS	1,305
23	
24	
25	
26	
27 Total	921,100

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 instructions)	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	136,232	136,232	281,219	269,316		148,135	148,135
2	State corporation franchise tax			261,187	261,187		39	
3	State unemployment insurance tax	5,604		7,056	7,017		5,633	
4	Other state and local taxes			8,044	8,015		14	
5	Federal unemployment insurance tax	2,557		2,423	2,409		2,755	
6	Fed. ins. contr. act (old age retire.)	0	0	172,887	172,689			
7	Other federal taxes	0	0	0	0			
8	Federal income taxes	0	0	1,364,573	1,364,573			
9								
10								
11								
12								
13								
14	Totals	144,393	136,232	2,097,389	2,085,206	0	156,576	148,135

SCHEDULE A-32
Account 241 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXXXXXXXX	9,464,300
2	Additions during year	XXXXXXXXXXXXXXXXXXXX	7,177,723
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXXXXXXXX	16,642,023
4	Charges during year	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	1,096	XXXXXXXXXXXXXXXXXXXX
7	Proportionate cost basis	290,857	XXXXXXXXXXXXXXXXXXXX
8	Present worth basis		XXXXXXXXXXXXXXXXXXXX
9	Total refunds	XXXXXXXXXXXXXXXXXXXX	291,953
10	Transfers to Acct 265 - Contributions in Aid of Construction	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts		XXXXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 265	XXXXXXXXXXXXXXXXXXXX	0
14	Securities Exchanged for Contracts (enter detail below)		XXXXXXXXXXXXXXXXXXXX
15	Subtotal - Charges during year	XXXXXXXXXXXXXXXXXXXX	291,953
16	Balance end of year	XXXXXXXXXXXXXXXXXXXX	16,350,070

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-33
Account 242 - Other Deferred Credits

Line No.	Item (a)	Balance End of Year (b)
1	DEFERRED WORK ORDER DEPOSITS	4,303,968
2	DEFERRED REVENUE - CONTRIBUTIONS	2,926
3	BALANCING/MEMORANDUM ACCOUNTS	276,570
4	DEFERRED INCOME TAXES	7,163,657
5	REGULATORY LIABILITY - INCOME TAXES RELATED	207,654
6	PENSION FUND DISCLOSURE	149,961
	Total	12,104,736

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

Line No.	Account (a)	Balance Beginning of Year (b)	DEBITS		CREDITS		Balance End of Year (g)
			Nature of Items (c)	Amount (d)	Account Charged (e)	Amount (f)	
7							
8							
9							
10	NONE						
11							
12							
13	Totals						

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 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 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	1,579,443	1,559,304	20,139	0	0
2	Add: Credits to account during year	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXX XX	XXXXXXXXXX XX
3	Contributions received during year	375,056	375,056		XXXXXX XX	XXXXXXXXXX XX
4	Other credits*	0				
5	Total credits	375,056	375,056	0	0	0
6	Deduct: Debits to account during year	0	XXXXXXXX XX	XXXXXXXX XX	XXXXXX XX	XXXXXXXXXX XX
7	Depreciation charges for year	112,017	112,017	XXXXXXXX XX	XXXXXX XX	XXXXXXXXXX XX
8	Nondepreciable donated property retired	0	XXXXXXXX XX		XXXXXX XX	XXXXXXXXXX XX
9	Other debits*	0				
10	Total debits	112,017	112,017	0	0	0
11	Balance end of year	1,842,482	1,822,343	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	13,105,313	12,912,915	192,398
4		601.2 Industrial sales	3,865	3,379	486
5		601.3 Sales to public authorities	519,527	588,560	(69,033)
6		Sub-total	13,628,705	13,504,854	123,851
7	602	Unmetered sales to general customers			0
8		602.1 Commercial sales			0
9		602.2 Industrial sales			0
10		602.3 Sales to public authorities			0
11		Sub-total	0	0	0
12	603	Sales to irrigation customers			0
13		603.1 Metered sales	494,649	439,771	54,878
14		603.2 Unmetered sales			0
15		Sub-total	494,649	439,771	54,878
16	604	Private fire protection service	81,791	88,890	(7,099)
17	605	Public fire protection service			0
16	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	239,206	(504,059)	743,265
22		Sub-total	320,997	(415,169)	736,166
23		Total water service revenues	14,444,351	13,529,456	914,895
24		II. OTHER WATER REVENUES			0
25	611	Miscellaneous service revenues	32,105	30,289	1,816
26	612	Rent from water property			0
27	613	Interdepartmental rents			0
28	614	Other water revenues	4,365	4,365	0
29		Total other water revenues	36,470	34,654	1,816
30	501	Total operating revenues	14,480,821	13,564,110	916,711

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	238,235
33	Other water sales	4,365
34		
35	Operations within incorporated territory	
36	City or town of APPLE VALLEY	14,129,819
37	City or town of VICTORVILLE	108,002
38	City or town of	
39	City or town of	
40	City or town of	
41		
42		
43	Total	14,480,421
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		13,041	12,351	690
4	701	Operation supervision, labor and expenses			C			0
5	702	Operation labor and expenses	A	B				0
6	703	Miscellaneous expenses	A			1,059,016	851,630	207,386
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			2,631	2,598	33
17	712	Maintenance of supply mains	A					0
18	713	Maintenance of other source of supply plant	A	B			61	(61)
19		Total source of supply expense				1,074,688	866,640	208,048
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		138,475	117,623	20,852
28	725	Miscellaneous expenses	A			85,383	84,313	1,070
29	726	Fuel or power purchased for pumping	A	B	C	1,062,897	1,165,661	(102,764)
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		30,171	31,957	(1,786)
34	731	Maintenance of power production equipment	A	B				0
35	732	Maintenance of pumping equipment	A	B		95,770	151,778	(56,008)
36	733	Maintenance of other pumping plant	A	B				0
37		Total pumping expenses				1,412,696	1,551,332	(138,636)

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			82,732	178,552	(95,820)
6	743	Miscellaneous expenses	A	B		66	437	(371)
7	744	Chemicals and filtering materials	A	B		19,871	17,783	2,088
8		Maintenance						0
9	746	Maintenance supervision and engineering	A	B				0
10	746	Maintenance of structures and equipment			C			0
11	747	Maintenance of structures and improvements	A	B			44	(44)
12	748	Maintenance of water treatment equipment	A	B		15,226	28,850	(13,624)
13		Total water treatment expenses				117,895	225,666	(107,771)
14		IV. TRANS. AND DIST. EXPENSES						
15		Operation						
16	751	Operation supervision and engineering	A	B		77,571	83,057	(5,486)
17	751	Operation supervision, labor and expenses			C			0
18	752	Storage facilities expenses	A			17,460	17,517	(57)
19	752	Operation labor and expenses		B				0
20	753	Transmission and distribution lines expenses	A			105,581	120,964	(15,383)
21	754	Meter expenses	A			12,431	19,526	(7,095)
22	755	Customer installations expenses	A			77,253	83,859	(6,606)
23	756	Miscellaneous expenses	A			35,095	31,293	3,802
24		Maintenance						0
25	758	Maintenance supervision and engineering	A	B				0
26	758	Maintenance of structures and plant			C			0
27	759	Maintenance of structures and improvements	A	B				0
28	760	Maintenance of reservoirs and tanks	A	B		341	407	(66)
29	761	Maintenance of trans. and distribution mains	A			499,952	324,813	175,139
30	761	Maintenance of mains		B				0
31	762	Maintenance of fire mains	A					0
32	763	Maintenance of services	A			79,027	74,720	4,307
33	763	Maintenance of other trans. and distribution plant		B				0
34	764	Maintenance of meters	A			73,997	35,937	38,060
35	765	Maintenance of hydrants	A			29,591	29,120	471
36	766	Maintenance of miscellaneous plant	A			7,646	11,230	(3,584)
37		Total transmission and distribution expenses				1,015,945	832,443	183,502

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		50,758	50,001	757
4	771	Superv., meter read., other customer acct expenses			C			0
5	772	Meter reading expenses	A	B		70,642	61,826	8,816
6	773	Customer records and collection expenses	A			322,587	304,380	18,207
7	773	Customer records and accounts expenses		B				0
8	774	Miscellaneous customer accounts expenses	A			2,377	5,895	(3,518)
9	775	Uncollectible accounts	A	B	C	33,291	35,494	(2,203)
10		Total customer account expenses				479,655	457,596	22,059
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B				
14	781	Sales expenses			C			
15	782	Demonstrating and selling expenses	A			27,476	28,395	(919)
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				27,476	28,395	(919)
20		VII. ADMIN. AND GENERAL EXPENSES						0
21		Operation						0
22	791	Administrative and general salaries	A	B	C	629,731	506,665	123,066
23	792	Office supplies and other expenses	A	B	C	315,103	256,325	58,778
24	793	Property insurance	A			6,658	10,737	(4,079)
25	793	Property insurance, injuries and damages		B	C			0
26	794	Injuries and damages	A			617,457	584,659	32,798
27	795	Employees' pensions and benefits	A	B	C	1,005,480	947,235	58,245
28	796	Franchise requirements	A	B	C	141,284	139,891	1,393
29	797	Regulatory commission expenses	A	B	C	107,752	48,314	59,438
30	798	Outside services employed	A			184,045	274,073	(90,028)
31	798	Miscellaneous other general expenses		B				0
32	798	Miscellaneous other general operation expenses			C			0
33	799	Miscellaneous general expenses	A			36,190	27,464	8,726
34		Main Office Allocation				1,443,743	1,404,393	39,350
35	805	Maintenance of general plant	A	B	C	154,427	186,150	(31,723)
36		Total administrative and general expenses				4,641,870	4,385,906	255,964
37		VIII. MISCELLANEOUS						0
38	811	Rents	A	B	C	7,700	1,300	6,400
39	812	Administrative expenses transferred - Cr.	A	B	C	(640,860)	(311,271)	(329,589)
40	813	Clearing expense	A	B	C	352,442	391,709	(39,267)
41		Total miscellaneous				(280,718)	81,738	(362,456)
42		Total operating expenses				8,489,507	8,429,716	59,791

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

1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.
 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.
 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 143) (e)	Capitalized (Omit Account) (f)
9	Taxes on real and personal property	281,219	281,219			
10	State corp. franchise tax	261,187	261,187			
11	State unemployment insurance tax	7,056	6,162		244	649
12	Other state and local taxes	8,044	8,044			
13	Federal unemployment insurance tax	2,423	2,116		85	222
14	Federal insurance contributions act	172,887	150,045		6,146	16,697
15	Other federal taxes	0				
16	Federal income tax	1,364,573	1,364,573			
17						
18						
19						
20						
21						
22	Totals	2,097,389	2,073,346	0	6,475	17,568

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	NEXTEL LEASE PAYMENTS	9,933
7		
8		
9		
10		
11		
12		
13	Totals	9,933

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	9,458
20		
21		
22	Total	9,458

SCHEDULE B-10
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
23	WATER ASSOCIATION DUES	722
24	MISCELLANEOUS DONATIONS	23,244
25	PROPERTY TAX NON-UTILITY	3,159
26	SPLIT DOLLAR LIFE INSURANCE	194
27	Total	27,319

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
2		covering supervision and/or management of its own affairs during the year?
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
9		unless a copy of the instrument in due form has been furnished in which case a definite reference to the report
10		of the respondent relative to which it was furnished will suffice.
11	5	Amount of compensation paid during the year for supervision or management 2,340,510
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:
19		(a) Charged to operating expenses 2,304,754
20		(b) Charged to capital accounts 35,756
21		(c) Charged to other accounts
22		Total 2,340,510
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
30		managing concerns? 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	35,756
507	PAYROLL TAXES	14,232
701	SOURCE OF SUPPLY OPERATIONS	13,041
721	PUMPING-OPERATIONS	0
751	T&D OPERATIONS	19,557
773	CUSTOMER RECORDS & COLLECTIONS	25,927
791	A&G SALARIES	122,141
792	A&G OFFICE EXPENSE	32,651
793	INJURIES & DAMAGES	439,027
795	EMPLOYEE PENSION & BENEFITS	93,434
798	OUTSIDE SERVICES	95,902
799	OTHER A&G	3,385
	MAIN OFFICE ALLOCATION	1,430,540
903	TRANSPORTATION CLEARINGS	8,505
906	TOOLS	6,412
	TOTAL	2,340,510

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	221,359
9	Employees - Water treatment	1	55,340
10	Employees - Transmission and distribution	14	774,755
11	Employees - Customer account	4	221,359
12	Employees - Sales		
13	Employees - Administrative		
14	General officers	1	119,334
15	General office	14	774,755
16	Totals	38	2,166,902

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-Mar								4	2,274
18	Apr-Jun								7	1,576
19	Jul-Sep		1			1	1	471.0	9	1,758
20	Oct-Dec								5	579
21	Totals	0	1	0	0	1	1	471.0	25	6,187

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. 2005					
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"	173'	1,127	49,846
7	Ptn. NW 1/4, Sec 34 T6N R4W	14"	63'	292	10,571
9	Lot 262, Tract 5885	14"	225'	919	210,077
11R	Lot 971, Tract 6115	18"	209'	1,976	869,649
12	Ptn. NE 1/4, SW 1/4, Sec 30	16"	92'	980	365,324
16	Ptn. SE 1/4, Sec 30, T5N R3W	16"	82'	1,267	374,006
17	Ptn. SW 1/4, Sec 13, T5N R4W	16"	67'	598	175,027
18	Lot 360, Tract 5704	16"	63'	1,055	268,183
19	Lot 1059, Tract 6257	16"	186'	675	51,717
20	Ptn. SW 1/4, Sec 13, T5N R4W	16"	76'	565	136,696
21	Ptn. NW 1/4, Sec 28, T5N R3W	20"	173'	800	171,097
22	Ptn. NE 1/4, SW 1/4, Sec 28	20"	180'	1,561	598,996
23	Lot 335, Tract 4053	20"	114'	448	162,404
24	Ptn. NW 1/4, NE 1/4, Sec 4	14"	199'	799	585,141
25	18555 Tuscola, T5N R4W, Sec 13	16"	58'	492	223,700
26	18588 Seneca, T5N, R4W, Sec 13	20"	102'	1,744	543,305
27	21271 Waalew Road	Pending			144,044
28	Riverside Drive	18"	57'	770	184,561
29	19237 Yucca Loma	20"	88'	2,125	1,131,755
30	11401 Apple Valley Road	14"	84'	1,719	191,059
31	Apple Valley Road	14"	48'	0	104,169
32	19382 Del Oro Road	10"	51'	675	133,530
3	Agricultural Well	18"	63'	1,000	0
4	Agricultural Well	18"	66'	872	663,166
5	Agricultural Well	18"	85'	2,760	2,028,289
TOTALS				25,219	9,376,312

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								1,518	15,408
12	Cast Iron (cement lined)									
13	Gravity Irrig.									
14	PVC DR 25									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos						169		46,480	42,218
19	Welded steel	1,150	2,900	19,493		18,406	242,752	18,191	248,822	136,143
20	PVC CL 200			4,409			7,454		187,163	114,435
21	PVC CL 150			2,800		2,020	13,208		173,246	294,668
22	Totals	1,150	2,900	26,702		20,426	263,583	18,191	657,229	602,872

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

										Other Sizes (Specify Sizes)	
Line No.		10	12	14	16	18	20	24	30	Totals All Sizes	
23	Ductile Iron		25,121	3,241	23,087		4,688			73,063	
24	Cast Iron (cement lined)										
25	Gravity Irrig.		5,590					3,785	1,780	11,155	
26	PVC DR 25				16,580	5,387				21,967	
27	Riveted steel										
28	Standard screw										
29	Screw or welded casing										
30	Cement - asbestos	3,662	83,348	24,169	7,420					207,466	
31	Welded steel		150,039	6,785						844,681	
32	PVC CL 200	160	55,122	69		186	2,286			371,284	
33	PVC CL 150	1,437	207,301	25,736	4,176	33				724,625	
34	Totals	5,259	526,521	60,000	51,263	5,606	6,974	3,785	1,780	2,254,241	

**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)	16,727	17,770		
Industrial	2	2		
Public authorities	41	42		
Irrigation	68	103		
Other (specify)	6	6		
Subtotal	16,844	17,923		
Private fire connections	98	106		
Public fire hydrants	2,091	2,265		
Total	19,033	20,294		

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

Size	Meters	Services
5/8 x 3/4-in.	15,975	xxxxxxxxxxxxxxxxxxxx
3/4-in.	569	
1-in.	1,267	
1-1/2-in.	150	
2-in.	160	
3-in.	112	
4-in.	46	
6-in.	70	
8-in.	24	
10- & 12-in.	4	
Other Unknown	237	
Total	18,614	

**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>1,486</u>
2. Used, before repair	<u> </u>
3. Used, after repair	<u> </u>
4. Found fast, requiring billing adjustment	<u> </u>
B. Number of Meters in Service Since Last Test	
1. Ten years or less	<u>17,368</u>
2. More than 10, but less than 15 years	<u>1,131</u>
3. More than 15 years	<u>115</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		Subtotal
Commercial	223,543	254,854	183,052	406,771	352,280	691,987	566,494							2,678,981
Industrial	0	65	0	77	0	551	0							693
Public authorities	6,834	4,170	2,050	13,892	17,611	32,270	34,306							111,133
Irrigation-Potable	1,559	0	1,558	0	1,558	0	6,359							11,034
Irrigation-Landscape	4,399	394	1,919	4,029	15,269	11,365	28,471							65,846
Irrigation-Reclaimed	14,421	0	13,491	0	42,546	0	84,009							154,467
Fire Hydrant														0
Total	250,756	259,483	202,070	424,769	429,264	736,173	719,639							3,022,154
Classification of Service	During Current Year												Total	
	August	September	October	November	December	Subtotal	Total	Subtotal	Total	Prior Year				
Commercial	818,901	600,551	721,331	414,185	399,127	2,954,095	5,633,076							5,712,298
Industrial	513	0	307	0	99	919	1,612							1,267
Public authorities	44,916	38,673	34,355	21,726	13,915	153,585	264,718							322,277
Irrigation-Potable	0	10,215	0	3,406	0	13,621	24,655							0
Irrigation-Landscape	13,023	35,711	10,015	31,737	3,760	94,246	160,092							153,762
Irrigation-Reclaimed	0	92,737	0	83,870	0	176,607	331,074							271,780
Fire Hydrant						0	0							0
Total	877,353	777,887	766,008	554,924	416,901	3,393,073	6,415,227							6,461,384

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 _____ 50,752

**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 Balancing Account-Domestic	See Footnote B	(149,014)			(5,169)			(154,183)
2	2001 Balancing Account-Irrigation	See Footnote B	(251,742)			(8,733)			(260,475)
3	2001 Memorandum Account-Domestic	See Footnote C	0		12,778	1,030			13,808
4	2001 Memorandum Account-Irrigation	See Footnote C	0		2,513	202			2,715
5	2002 Memorandum Account-Domestic	See Footnote C	0		342,594	23,740			366,334
6	2002 Memorandum Account-Irrigation	See Footnote C	0		30,757	2,163			32,920
7	2003 Memorandum Account-Domestic	See Footnote C	(87,167)			(3,024)			(90,191)
8	2003 Memorandum Account-Irrigation	See Footnote C	(18,316)			(635)			(18,951)
9	2004 Memorandum Account-Domestic	See Footnote C	(97,551)		(6,523)	(3,568)			(107,642)
10	2004 Memorandum Account-Irrigation	See Footnote C	(7,483)		8,857	47			1,421
11	2005 Memorandum Account-Domestic	See Footnote A,C	0		(21,838)	(251)			(22,089)
12	2005 Memorandum Account-Irrigation	See Footnote A,C	0		(33,537)	(663)			(34,200)
13	Water Quality Memorandum Account	W-4094	24,217						24,217

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

- A: Amounts booked are estimated through year-end. Actual Amounts approved by the PUC will be reflected in the Annual Report the following year.
- B: A memorandum to the CPUC entitled "Procedures For Maintaining Balancing Accounts for Water Utilities" dated May 31, 1983, authorized these accounts.
- C: Decision No. 03-06-072 dated June 19, 2003.

Schedule E- 2

Description of Low-Income Rate Assistance Program(s)

For all low income rate assistance programs offered by water utility, provide detailed responses to the following items:

- 1 Brief description of each low-income rate assistance program provided, by district. This shall include but is not limited to the percent of discount, the dollar amount of discount, what rate is discounted (service charge, quantity, or total bill), qualifying income level, dollar rate increase to remaining customers to pay for this program.

No low-income rate assistance program was provided for the year 2005. As authorized by D.05-12-020, a low-income rate assistance program will begin in 2006. The California Alternative Rates for Water (CARW) program will consist of a flat \$5.00 per month service charge discount to customers who meet the income eligibility requirements as established by the Commission. Customers are required to submit an application and eligibility declaration form to participate in the CARW program. A monthly surcharge of \$1.00 applicable to General Metered Service will be implemented to fund the CARW program.

- 2 Participation rate for Year 2005 (as a percent of total customers served). - N/A

- 3 Detail of balancing or memorandum account authorized to record expenses incurred and revenues collected for low-income rate assistance program.

A CARW revenue reallocation balancing account will be established to track the difference between the recorded low-income discounts provided to qualifying customers and the recorded revenues generated by the \$1.00 surcharge. A CARW implementation Cost memorandum account will be established to record the incremental costs associated with implementing and maintaining the CARW program.

Schedule E-3
Description of Water Conservation Program(s)

For all water conservation programs offered by water utility, provide detailed responses to the following items:

1. Brief description of each water conservation program provided, by district. This description shall include but not be limited to the type of program offered (such as provision of low-flow plumbing fixtures, leak detection, leak repair, written water conservation tips, or other similar programs to its customers) and length of time it was offered.
2. Discuss how each water conservation assistance program is funded, for example, through rates charged to all customers, rates charged to customer receiving water conservation assistance, shareholder contribution, community funding, government funding, or other funding method. Explain why this type of funding was used.
3. Cost of each program.
4. The degree of participation in each district by customer group.

AVR recognizes water use efficiency as an integral component of its current and future water strategy for the service area. AVR has aggressively pursued conservation in an effort to reduce demand and stretch existing water supplies. The following is a description of the conservation programs offered by AVR.

Water use surveys are available at no cost to residential, institutional and governmental customers. AVR employees have received special training in the area of water audits. The audit team completes a customer data form to analyze the customer's water use and estimate water savings. Funding is through rates charged to all customers. There were 83 surveys performed in 2005 at a total cost of \$830. These surveys are estimated to result in the conservation of approximately 273 ccf per year.

The Residential Plumbing Retrofit Program distributes conservation kits consisting of a device to displace water in the toilet tank, a low-flow showerhead and toilet tank leak detection tablets. These kits are distributed annually during the Desert Communities Water Awareness Expo. Funding is provided through rates charged to all customers. The cost of the conservation kit is \$5 and a large supply was purchased prior to 2005. As a result, there are no recorded costs for this program in 2005. Approximately 100 kits were distributed in 2005.

In the Large Landscape Conservation Program, AVR works in partnership with the Town of Apple Valley, local nurseries and landscape designers to help educate landowners about water efficient landscapes. AVR worked jointly with Mojave Water Agency, Hesperia Water District, Victor Valley Water District and San Bernardino County to develop a handbook entitled "A Guide to High Desert Landscaping". Specifically designed for the high desert environment, the handbook is a guide to designing, planting and maintaining attractive and water efficient native plant landscapes. Funding is through rates charged to all customers and the cost of printing in 2005 was \$1,020.

Public Information Programs recognize the continued need to maintain and increase the community's awareness of water and the need to use it wisely. Providing current water conservation information is a key part of AVR's activities. This includes imprinting bills with slogans promoting water conservation. Pamphlets on water conservation are available in the lobby of the company office where customers pay their bills. AVR has articles published in the local newspaper that contain conservation suggestions. Consumption information for the same month from the previous year is provided on the customer's bill. At the Desert Communities Water Awareness Expo, an extensive display of low-water-use trees, shrubs and plants is maintained that illustrate the aesthetic appeal of water efficient landscaping. Funding is through rates charged to all customers. The total cost for these programs (including labor at special events) were \$19,382 in 2005.

Schedule E- 3

Description of Water Conservation Program(s) (Continued)

School Education Programs promote water conservation and other resource efficiencies at school facilities and to educate students about these issues. AVR provides in-school education programs to 3rd, 5th and 8th graders. AVR, in conjunction with the Town of Apple Valley, sponsored a live theater production at the schools which teaches students about the importance of water conservation. The National Theatre for Children's program incorporated classroom learning guides and activities for the teacher and the students that reinforce and expand on the concepts addressed in the live program. At the Desert Communities Water Awareness Expo poster-making and coloring contests specifically designed to create interest and awareness in children, are organized. Funding is through rates charged to all customers. The School Education Program was inactive in 2005.

AVR has a designated Conservation Coordinator who allocates part of his time to conservation activities. The Conservation Coordinator is responsible for the water conservation and recycling activities that AVR is involved in. The cost of this employee's time spent on conservation activities is funded through rates charged to all customers. The recorded cost was \$2,422 in 2005.

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

I, the undersigned officer

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 operations of its property for the period from and including January 1, 2005 to and including December 31, 2005.

SIGNED Jack R. Clarke

Title **VICE PRESIDENT AND GENERAL MANAGER**

Date MAR. 29, 2006

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