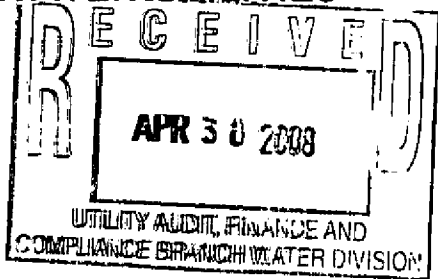


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Received \_\_\_\_\_

Examined \_\_\_\_\_

**CLASS A  
WATER UTILITIES**



U# \_\_\_\_\_

**2007  
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, 2007**

**REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2008  
(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: 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 calander 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 2007

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 2007 Annual Report)

	1/1/2007	12/31/2007	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant	273,443	273,443	273,443
2 Land and Land Rights	3,969,880	6,043,781	5,006,831
3 Depreciable Plant	74,421,341	85,440,902	79,931,122
4 Gross Plant in Service	78,664,664	91,758,126	85,211,395
5 Less: Accumulated Depreciation	(15,521,604)	(17,226,754)	(16,374,179)
6 Net Water Plant in Service	63,143,060	74,531,372	68,837,216
7 Water Plant Held for Future Use	202,348	202,348	202,348
8 Construction Work in Progress	4,165,592	1,160,924	2,663,258
9 Materials and Supplies	272,512	306,380	289,446
10 Less: Advances for Construction	(23,278,008)	(32,069,937)	(27,673,973)
11 Less: Contributions in Aid of Construction	(1,900,898)	(2,181,917)	(2,041,408)
12 Less: Accumulated Deferred Income and Investment Tax Credits	(7,139,850)	(7,447,778)	(7,293,814)
13 Net Plant Investment	35,464,756	34,501,392	34,983,073
<b>CAPITALIZATION</b>			
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	24,815,209	27,429,045	26,122,127
18 Common Stock and Equity (Lines 14 through 17)	30,681,935	33,295,771	31,988,853
19 Preferred Stock			0
20 Long-Term Debt	0	0	0
21 Notes Payable			0
22 Total Capitalization (Lines 18 through 21)	30,681,935	33,295,771	31,988,853

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

2007

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711

	Annual Amount
<b>INCOME STATEMENT</b>	
23 Unmetered Water Revenue	0
24 Fire Protection Revenue	129,007
25 Irrigation Revenue	1,080,122
26 Metered Water Revenue	16,911,032
27 Total Operating Revenue	<u>18,120,161</u>
28 Operating Expenses	11,315,728
29 Depreciation Expense (Composite Rate 2.77%)	1,987,513
30 Amortization and Property Losses	9,298
31 Property Taxes	362,113
32 Taxes Other Than Income Taxes	194,295
33 Total Operating Revenue Deduction Before Taxes	13,868,947
34 California Corp. Franchise Tax	353,631
35 Federal Corporate Income Tax	1,346,700
36 Total Operating Revenue Deduction After Taxes	15,569,278
37 Net Operating Income (Loss) - California Water Operations	2,550,883
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	(21,951)
39 Income Available for Fixed Charges	2,528,932
40 Interest Expense	(84,903)
41 Net Income (Loss) Before Dividends	2,613,836
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	<u>2,613,836</u>
<b>OTHER DATA</b>	
44 Refunds of Advances for Construction	655,685
45 Total Payroll Charged to Operating Expenses	2,613,845
46 Purchased Water	0
47 Power	1,457,210
48 <b>Class A Water Companies Only:</b>	
a. Pre-TRA 1986 Contributions in Aid of Construction	720,473
b. Pre-TRA 1986 Advances for Construction	18,720
c. Post TRA 1986 Contributions in Aid of Construction	1,461,444
d. Post TRA 1986 Advances for Construction	32,051,218
<b>Active Service Connections (Exc. Fire Protect.)</b>	
49 Metered Service Connections	<u>18,657</u>
50 Flat Rate Service Connections	<u>18,832</u>
51 Total Active Service Connections	<u>18,657</u> <u>18,832</u> <u>18,745</u>

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

Adjusted to Exclude Non-Regulated Activity  
Year 2007

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 2007 Annual Report)

	1/1/2007	12/31/2007	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant	273,443	273,443	273,443
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7 Water Plant Held for Future Use	202,348	202,348	202,348
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18 Common Stock and Equity (Lines 14 through 17)	30,681,935	33,295,771	31,988,853
19 Preferred Stock			0
20 Long-Term Debt	0	0	0
21 Notes Payable			0
22 Total Capitalization (Lines 18 through 21)	30,681,935	33,295,771	31,988,853

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

Adjusted to Exclude Non-Regulated Activity  
2007

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

<b>INCOME STATEMENT</b>		Annual Amount
23	Unmetered Water Revenue	0
24	Fire Protection Revenue	129,007
25	Irrigation Revenue	1,080,122
26	Metered Water Revenue	16,911,032
27	Total Operating Revenue	<u>18,120,161</u>
28	Operating Expenses	11,315,728
29	Depreciation Expense (Composite Rate 2.77%)	1,987,513
30	Amortization and Property Losses	9,298
31	Property Taxes	362,113
32	Taxes Other Than Income Taxes	194,295
33	Total Operating Revenue Deduction Before Taxes	13,868,947
34	California Corp. Franchise Tax	353,631
35	Federal Corporate Income Tax	1,346,700
36	Total Operating Revenue Deduction After Taxes	15,569,278
37	Net Operating Income (Loss) - California Water Operations	2,550,883
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	0
39	Income Available for Fixed Charges	2,550,883
40	Interest Expense	(84,903)
41	Net Income (Loss) Before Dividends	2,635,787
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	<u>2,635,787</u>

**OTHER DATA**

44	Refunds of Advances for Construction	655,685
45	Total Payroll Charged to Operating Expenses	2,613,845
46	Purchased Water	0
47	Power	1,457,210
48	<b>Class A Water Companies Only:</b>	
a.	Pre-TRA 1986 Contributions in Aid of Construction	720,473
b.	Pre-TRA 1986 Advances for Construction	18,720
c.	Post TRA 1986 Contributions in Aid of Construction	1,461,444
d.	Post TRA 1986 Advances for Construction	32,051,218

Active Service Connections                      (Exc. Fire Protect.)		Jan. 1	Dec. 31	Annual Average
49	Metered Service Connections	18,657	18,832	18,745
50	Flat Rate Service Connections			
51	Total Active Service Connections	18,657	18,832	18,745

### 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	\$1,440	Non-utility income
2 Line 38 Nextel lease	10,528	Non-utility income
3 Line 38 Non Utility Property Taxes	(707)	Non-utility expense
4 Line 38 Water Association Dues	(807)	Non-utility expense
5 Line 38 Charitable Contributions	(27,825)	Non-utility expense
6 Line 38 Miscellaneous	(4,580)	Non-utility expense
Total	(\$21,951)	



**Excess Capacity and Non-Tariffed Services**

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

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2007:

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Expenses incurred to provide Non-Tariffed Good/Service (by account)	Expense Account Number	Advice Letter and/or Resolution Number approving Non-Tariffed Good/Service	Total Income Tax Liability incurred because of non-tariffed Good/Service (by account)	Income Tax Liability Account Number	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account)	Regulated Asset Account Number
Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
	Communications Site-Lease Agreement with Nextel	Passive	16,700	5804	0	n/a		5,678	4102.9910	(B)	n/a

(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:  
SCOTT WELDY, 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: SCOTT WELDY  
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) NYRI WHEELER-LEWIS, SECRETARY  
(Name) SCOTT WELDY, 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		<b>I. UTILITY PLANT</b>			
2	100	Utility plant	A-1	93,121,398	83,050,424
3	107	Utility plant adjustments			
4		Total utility plant		93,121,398	82,955,338
5	250	Reserve for depreciation of utility plant	A-3	(17,226,754)	(15,521,604)
6	251	Reserve for amortization of limited term utility investments (A)	A-3	(103,574)	(95,086)
7	252	Reserve for amortization of utility plant acquisition adjustment (A)	A-3	17,010	17,820
8		Total utility plant reserves		(17,313,318)	(15,521,604)
9		Total utility plant less reserves		75,808,080	67,433,734
10					
11		<b>II. INVESTMENT AND FUND ACCOUNTS</b>			
12	110	Other physical property	A-2	10,459	10,459
13	253	Reserve for depreciation and amortization of other property	A-3		
14		Other physical property less reserve		10,459	10,459
15	111	Investments in associated companies	A-4		
16	112	Other investments	A-5		
17	113	Sinking funds	A-6		
18	114	Miscellaneous special funds	A-7		
19		Total investments and fund accounts		10,459	10,459
20					
21		<b>III. CURRENT AND ACCRUED ASSETS</b>			
22	120	Cash		34,616	(32,104)
23	121	Special deposits	A-8		
24	122	Working funds		1,900	1,150
25	123	Temporary cash investments			
26	124	Notes receivable	A-9		
27	125	Accounts receivable		766,778	865,667
28	126	Receivables from associated companies	A-10		2,192,525
29	131	Materials and supplies		306,380	272,512
30	132	Prepayments	A-11	330,783	325,081
31	133	Other current and accrued assets	A-12		
32		Total current and accrued assets		1,440,457	3,624,831
33					
34		<b>IV. DEFERRED DEBITS</b>			
35	140	Unamortized debt discount and expense	A-13		
36	141	Extraordinary property losses	A-14	0	0
37	142	Preliminary survey and investigation charges		167,968	10,791
38	143	Clearing accounts			
39	145	Other work in progress			
40	146	Other deferred debits	A-15	4,047,995	1,846,739
41		Total deferred debits		4,215,963	1,857,530
42		Total assets and other debits		81,474,959	72,926,554
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		<b>I. CORPORATE CAPITAL AND SURPLUS</b>			
2	200	Common capital stock	A-18	3,750	3,750
3	201	Preferred capital stock	A-18		
4	202	Stock liability for conversion			
5	203	Premiums and assessments on capital stock	A-19		
6	150	Discount on capital stock	A-16	( )	( )
7	151	Capital stock expense	A-17	( )	( )
8	270	Capital surplus	A-20	5,862,976	5,862,976
9	271	Earned surplus	A-21	27,429,045	24,815,209
10		Total corporate capital and surplus		<u>33,295,771</u>	<u>30,681,935</u>
11					
12		<b>II. PROPRIETARY CAPITAL</b>			
13	204	Proprietary capital (Individual or partnership)	A-22		
14	205	Undistributed profits of proprietorship or partnership	A-23		
15		Total proprietary capital			
16					
17		<b>III. LONG-TERM DEBT</b>			
18	210	Bonds	A-24		
19	211	Receivers' certificates			
20	212	Advances from associated companies	A-25		
21	213	Miscellaneous long-term debt	A-26		
22		Total long-term debt		<u>0</u>	<u>0</u>
23					
24		<b>IV. CURRENT AND ACCRUED LIABILITIES</b>			
25	220	Notes payable	A-28		
26	221	Notes receivable discounted			
27	222	Accounts payable		581,102	1,055,443
28	223	Payables to associated companies	A-29	548,931	
29	224	Dividends declared			
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		109,812	147,145
33	228	Taxes accrued	A-31	196,945	182,371
34	229	Interest accrued		4,390	5,271
35	230	Other current and accrued liabilities	A-30	2,192,370	1,307,313
36		Total current and accrued liabilities		<u>3,633,550</u>	<u>2,697,543</u>
37					
38		<b>V. DEFERRED CREDITS</b>			
39	240	Unamortized premium on debt	A-13		
40	241	Advances for construction	A-32	32,069,937	23,278,008
41	242	Other deferred credits	A-33	10,293,784	14,368,170
42		Total deferred credits		<u>42,363,721</u>	<u>37,646,178</u>
43					
44		<b>VI. RESERVES</b>			
45	254	Reserve for uncollectible accounts	A-34		
46	255	Insurance reserve	A-34		
47	256	Injuries and damages reserve	A-34		
48	257	Employees' provident reserve	A-34		
49	258	Other reserves	A-34		
50		Total reserves			
51					
52		<b>VII. CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
53	265	Contributions in aid of construction	A-35	2,181,917	1,900,898
54		Total liabilities and other credits		<u>81,474,959</u>	<u>72,926,554</u>

**SCHEDULE B**  
**Income Account for the Year**

Line No.	Acct.	Account (a)	Schedule Page No. (b)	Amount (c)
1		<b>I. UTILITY OPERATING INCOME</b>		
2	501	Operating revenues	B-1	18,120,161
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	B-2	11,315,728
6	503	Depreciation	A-3	1,987,513
7	504	Amortization of limited-term utility investments	A-3	8,488
8	505	Amortization of utility plant acquisition adjustments	A-3	810
9	506	Property losses chargeable to operations	B-3	0
10	507	Taxes	B-4	2,256,738
11		Total operating revenue deductions		<u>15,569,277</u>
12		Net operating revenues		2,550,884
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		<u>2,550,884</u>
16				
17		<b>II. OTHER INCOME</b>		
18	521	Income from nonutility operations (Net)	B-6	
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	B-7	12,188
24	527	Nonoperating revenue deductions - Dr.	B-8	
25		Total other income		<u>12,188</u>
26		Net income before income deductions		2,563,072
27				
28		<b>III. INCOME DEDUCTIONS</b>		
29	530	Interest on long-term debt		
30	531	Amortization of debt discount and expense		
31	532	Amortization of premium on debt - Cr.		
32	533	Taxes assumed on interest		
33	534	Interest on debt to associated companies		(94,303)
34	535	Other interest charges	B-9	9,400
35	536	Interest charged to construction - Cr.		
36	537	Miscellaneous amortization		
37	538	Miscellaneous income deductions	B-10	34,139
38		Total income deductions		<u>(50,764)</u>
39		Net income		2,613,836
40				
41		<b>IV. DISPOSITION OF NET INCOME</b>		
42	540	Miscellaneous reservations of net income		
43				
44		Balance transferred to Earned Surplus or		2,613,836
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)	78,664,664	13,635,221	543,585	1,826	91,758,126
2	100 - 2	Utility plant leased to others	0				0
3	100 - 3	Construction work in progress	4,165,592	(3,004,668)	xxxxxxxx		1,160,924
4	100 - 4	Utility plant held for future use (Sch A-1c)	202,348	0			202,348
5	100 - 5	Utility plant acquisition adjustments			xxxxxxxx		0
6	100 - 6	Utility plant in process of reclassification	0				0
7		Total utility plant	83,050,424	10,630,553	543,585	1,826	93,121,398

**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	3,969,880	2,073,901			6,043,781
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	2,654,519	545,039	3,648		3,195,910
23	316	Supply mains	0				0
24	317	Other source of supply plant	134,842				134,842
25		Total source of supply plant	2,839,358	545,039	3,648	0	3,380,749
26							
27		IV. PUMPING PLANT					
28	321	Structures and improvements	1,609,994	436,490	10,539		2,035,945
29	322	Boiler plant equipment	0				0
30	323	Other power production equipment	0				0
31	324	Pumping equipment	4,261,576	1,214,838	61,604		5,414,810
32	325	Other pumping plant					
33		Total pumping plant	5,871,570	1,651,328	72,143	0	7,450,755
34							
35		V. WATER TREATMENT PLANT					
36	331	Structures and improvements					
37	332	Water treatment equipment	1,034,866	102,224	1,201		1,135,889
38		Total water treatment plant	1,034,866	102,224	1,201	0	1,135,889

**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		<b>VI. TRANSMISSION AND DIST. PLANT</b>					
2	341	Structures and improvements					
3	342	Reservoirs and tanks	2,967,535	1,193,375			4,160,910
4	343	Transmission and distribution mains	41,062,195	4,913,728	68,013		45,907,910
5	344	Fire mains	0				0
6	345	Services	7,943,318	711,001	55,512		8,598,807
7	346	Meters	1,621,568	527,355	191,513		1,957,410
8	347	Meter installations	0				0
9	348	Hydrants	5,336,907	930,636	46,040		6,221,503
10	349	Other transmission and distribution plant	0				0
11		Total transmission and distribution plant	58,931,523	8,276,095	361,078		66,846,540
12							
13		<b>VII. GENERAL PLANT</b>					
14	371	Structures and improvements	1,067,593	215,809	457		1,282,945
15	372	Office furniture and equipment	726,820	64,801	8,812	1272	784,081
16	373	Transportation equipment	810,710		20,299		790,411
17	374	Stores equipment	0				0
18	375	Laboratory equipment	887				887
19	376	Communication equipment	1,344,560	483,330	53,697	554	1,774,747
20	377	Power operated equipment	1,293,880	213,526	21,852		1,485,554
21	378	Tools, shop and garage equipment	123,409	9,168	398		132,179
22	379	Other general plant	0				0
23		Total general plant	5,367,860	986,634	105,515		6,250,805
24							
25		<b>VIII. UNDISTRIBUTED ITEMS</b>					
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	78,664,664	13,635,221	543,585	1,826	91,758,126

**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 <sup>1</sup> (e)
31	NONE				
32					
33					
34					
35					
		Total	xxxxxxxxxxxxxxxxxxxxxxxxxxxx		

<sup>1</sup> 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	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	10,459
10		
11		
12		
13		
14		
15		
	Total	10,459



**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		<b>RATE BASE</b>			
2					
3		Utility Plant			
4		Plant in Service		91,758,126	78,664,664
5		Construction Work in Progress		1,160,924	4,165,592
6		General Office Prorate	(A)	2,612,050	2,385,712
7		<b>Total Gross Plant (Line 4 + Line 5 + Line 6)</b>		95,531,100	85,224,953
8					
9		Less Accumulated Depreciation			
10		Plant in Service		17,226,754	15,521,604
11		General Office Prorate	(A)	1,337,003	1,160,252
12		<b>Total Accumulated Depreciation (Line 10 + Line 11)</b>		18,563,757	16,686,991
13					
14		Less Other Reserves			
15		Deferred Income Taxes		7,600,648	7,301,602
16		Deferred Investment Tax Credit		(152,870)	(161,752)
17		Other Reserves			
18		<b>Total Other Reserves (Line 15 + Line 16 + Line 17)</b>		7,447,778	7,139,850
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		2,181,917	1,900,898
22		Advances for Construction		32,069,937	23,278,008
23		Other			
24		<b>Total Adjustments (Line 21 + Line 22 + Line 23)</b>		34,251,854	25,178,906
25					
26		Add Materials and Supplies		306,380	272,512
27					
28		Add Working Cash (From Schedule A-1d(2))		2,148,644	1,927,524
29					
30		<b>TOTAL RATE BASE</b>			
31		<b>=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28</b>		37,722,735	38,419,243
32					
33					
34					
35		(A) GENERAL OFFICE PRORATE AMOUNTS FOR 2006			
36		(BEGINNING OF YEAR ) ARE RESTATED HERE.			
37					
38					
39					
40					
41					
42					
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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		<b>Working Cash</b>			
2					
3		<b>Determination of Operational Cash Requirement</b>			
4		1. Operating Expenses, Excl Taxes, Depr. & Uncoll.		10,982,933	9,724,690
5		2. Purchased Power & Commodity for Resale*		1,457,210	1,433,157
6		3. Meter Revenues: Bimonthly Billing		17,014,242	16,326,272
7		4. Other Revenues: Flat Rate Monthly Billing		169,282	141,357
8		5. Total Revenues (3 + 4)		17,183,524	16,467,629
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)		0.01	0.01
10		7. $5/24 \times$ Line 1 $\times$ (100% - Line 6)		2,265,570	2,008,586
11		8. $1/24 \times$ Line 1 $\times$ Line 6		4,508	3,478
12		9. $1/12 \times$ Line 2		121,434	119,430
13		10. Operational Cash Requirement (7 + 8 - 9)		2,148,644	1,892,634
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					
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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 ( A)	15,521,604	95,086	(17,820)	0
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505 <sup>(1)</sup>	1,987,513	8,488	810	
4	(b) Charged to Account 265	128,871			
5	(c) Charged to clearing accounts	97,656			
6	(d) Salvage recovered	46,457			
7	(e) All other credits <sup>(2)</sup>	514			
8	Total credits	2,261,011	8,488	810	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	543,583			
11	(b) Cost of removal	12,278			
12	(c) All other debits <sup>(3)</sup>				
13	Total debits	555,861	0	0	0
14	Balance in reserve at end of year	17,226,754	103,574	(17,010)	0
15					
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE:			2.77%	
17					
18	(2) EXPLANATION OF ALL OTHER CREDITS:				
	Intercompany transfers.		514		
19					
20					
21					
22					
23					
24					
25	(3) EXPLANATION OF ALL OTHER DEBITS:				
26					
27	(A) 2006 Beginning of year amounts restated for Limited Term				
28	Utility Investments and Utility Plant Acq. Adjustments.				
29					
30					
31					
32					
33					
34					
35	METHOD USED TO Straight Line				
36	(a) Liberalized	()			
37	(b) (1) Double declining balance	()			
38	(2) ACRS	()			
39	(3) MACRS	()			
40	(4) Others	()			
41	(c) Both straight line and liberalized	(x)			
42					

**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		<b>I. SOURCE OF SUPPLY PLANT</b>					
2	311	Structures and improvements	38,952	1,455			40,407
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	626,857	73,999	3,648		697,208
7	316	Supply mains	0				0
8	317	Other source of supply plant	24,509	3,519			28,028
9		Total source of supply plant	690,318	78,973	3,648	0	765,643
10							
11		<b>II. PUMPING PLANT</b>					
12	321	Structures and improvements	240,973	60,135	10,539		290,569
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	724,139	173,975	61,604	(9,640)	826,870
17		Total pumping plant	965,112	234,110	72,143	(9,640)	1,117,439
18							
19		<b>III. WATER TREATMENT PLANT</b>					
20	331	Structures and improvements					
21	332	Water treatment equipment	107,363	37,358	1,201		143,520
22		Total water treatment plant	107,363	37,358	1,201	0	143,520
23							
24		<b>IV. TRANS. AND DIST. PLANT</b>					
25	341	Structures and improvements	0				0
26	342	Reservoirs and tanks	519,411	69,146			588,557
27	343	Transmission and distribution mains	8,864,112	1,049,172	68,012	14,427	9,859,699
28	344	Fire mains	0				0
29	345	Services	1,255,650	222,237	55,682	1,219	1,423,424
30	346	Meters	(70,554)	49,299	191,343	23,483	(189,115)
31	347	Meter installations	0				0
32	348	Hydrants	896,978	132,029	46,040		982,967
33	349	Other transmission and distribution plant	0				0
34		Total trans. and distribution plant	11,465,597	1,521,883	361,077	39,129	12,665,532
35							
36		<b>V. GENERAL PLANT</b>					
37	371	Structures and improvements	327,858	34,904	457		362,305
38	372	Office furniture and equipment	417,510	75,164	8,812		483,862
39	373	Transportation equipment	590,850	10,567	20,299	1,500	582,618
40	374	Stores equipment	0				0
41	375	Laboratory equipment	734	45			779
42	376	Communication equipment	343,519	119,414	53,696		409,237
43	377	Power operated equipment	458,858	78,796	21,852	3,190	518,992
44	378	Tools, shop and garage equipment	56,082	8,294	398		63,978
45	379	Other general plant	0				0
46	390	Other tangible property	97,803	15,046			112,849
47	391	Water plant purchased	0				0
48		Total general plant	2,293,215	342,230	105,514	4,690	2,534,621
49							
		<b>Total</b>	<b>15,521,604</b>	<b>2,214,554</b>	<b>543,583</b>	<b>34,179</b>	<b>17,226,754</b>

**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 <sup>1</sup>					

<sup>1</sup> 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	93,267
TAXES	189,274
POSTAGE	421
OTHER	47,821
Totals	330,783

**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 on Debt, particulars of discount and expense of premium applicable to each class and series of long-term debt.  
 2. Show premium amounts in red or by enclosure in parentheses.  
 3. In column (b) show the principal amount of bonds or other long-term debt originally issued.

4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.  
 5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year; also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Set out separately and identify 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 and of year (i)
				From- (d)	To- (e)				
1	NONE								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
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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	100,750
6	CATASTROPHIC ILLNESS	14,701
7	PAID TIME OFF	159,191
8	SPLIT DOLLAR LIFE INSURANCE	37,316
9	REGULATORY ACCOUNTS	3,728,350
10	MISCELLANEOUS DEFERRED DEBITS	7,687
	Total	4,047,995

**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 <sup>1</sup> (d)	Total Par Value <sup>2</sup> 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

<sup>1</sup> After deduction for amount of reacquired stock held by or for the respondent.

<sup>2</sup> 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	24,815,209
13		CREDITS	
14	400	Credit balance transferred from income account	2,613,836
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	2,613,836
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	27,429,045

**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									

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

**SCHEDULE A-24 (a)**  
**CLASS A WATER COMPANIES**  
**SAFE DRINKING WATER BOND ACT DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent: **NONE.**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

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

\$ \_\_\_\_\_

3. Summary of the trust bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

4. Account information:

Bank Name: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Date Opened: \_\_\_\_\_

**SCHEDULE A-24 (b)**  
**CLASS A WATER COMPANIES**  
**SAFE DRINKING WATER BOND ACT DATA (continued)**

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

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		<b>NON-DEPRECIABLE PLANT</b>		<b>NONE</b>			
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		<b>DEPRECIABLE PLANT</b>		<b>NONE</b>			
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					



**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 <sup>1</sup> 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							

<sup>1</sup> 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	548,931	Varies	(94,304)	
11					
12					
13					
14	Totals	548,931		(94,304)	

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

Line No.	Description (a)	Balance End of Year (c)
15	ACCRUED PAID TIME OFF	159,191
16	FRANCHISE FEE	168,041
17	ACCRUED PAYROLL	59,939
18	ACCRUED CATASTROPHIC ILLNESS	14,701
19	REPLENISHMENT CHARGES (INCLUDES MAKE-UP ASSESSMENTS)	1,184,078
20	CALIFORNIA PUC SURCHARGE	64,048
21	POST RETIREMENT BENEFITS OTHER THAN PENSION	538,276
22	MISCELLANEOUS	4,096
23		
24		
25		
26		
27	Total	2,192,370

**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 (e) 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	173,545	173,545	362,113	346,384		189,274	189,274
2	State corporation franchise tax			353,631	353,631			
3	State unemployment insurance tax	369		11,388	11,723		34	
4	Other state and local taxes	5,376		3,261	4,981		3,656	
5	Federal unemployment insurance tax	4		2,591	2,588		7	
6	Fed. ins. contr. act (old age retire.)	3,077		203,338	202,441		3,974	
7	Other federal taxes			0	0			
8	Federal income taxes			1,346,700	1,346,700			
9								
10								
11								
12								
13								
14	Totals	182,371	173,545	2,283,021	2,268,447	0	196,945	189,274

**SCHEDULE A-32**  
**Account 241 - Advances for Construction**

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXX	23,278,008
2	Additions during year	XXXXXXXXXXXXXX	9,447,614
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXX	32,725,622
4	Charges during year	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	0	XXXXXXXXXXXXXXXXXX
7	Proportionate cost basis	655,685	XXXXXXXXXXXXXXXXXX
8	Present worth basis		XXXXXXXXXXXXXXXXXX
9	Total refunds	XXXXXXXXXXXXXX	655,685
10	Transfers to Acct 265 - Contributions in Aid of Construction	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts		XXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 265	XXXXXXXXXXXXXX	0
14	Securities Exchanged for Contracts (enter detail below)		XXXXXXXXXXXXXXXXXX
15	Subtotal - Charges during year	XXXXXXXXXXXXXX	655,685
16	Balance end of year	XXXXXXXXXXXXXX	32,069,937

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 Beginning of Year (b)	Balance End of Year (b)
1	DEFERRED WORK ORDER DEPOSITS		1,254,556
2	DEFERRED REVENUE - CONTRIBUTIONS		2,394
3	BALANCING/MEMORANDUM ACCOUNTS		353,598
4	DEFERRED INCOME TAXES		7,447,778
5	REGULATORY LIABILITY - INCOME TAXES RELATED		182,640
6	PENSION FUND DISCLOSURE		1,052,818
	Total		10,293,784

**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)
			Feature of Item (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

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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	1,900,898	1,880,759	20,139	0	0
2	Add: Credits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
3	Contributions received during year	409,890	409,890		XXXXXX XX	XXXXXXXX XX
4	Other credits*	0				
5	Total credits	409,890	409,890	0	0	0
6	Deduct: Debits to account during year	0	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
7	Depreciation charges for year	128,871	128,871	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
8	Nondepreciable donated property retired	0	XXXXXX XX		XXXXXX XX	XXXXXXXX XX
9	Other debits*	0				
10	Total debits	128,871	128,871	0	0	0
11	Balance end of year	2,181,917	2,161,778	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		<b>I. WATER SERVICE REVENUES</b>			
2	601	Metered sales to general customers			
3		601.1 Commercial sales	15,298,264	14,904,308	393,956
4		601.2 Industrial sales	4,213	3,249	964
5		601.3 Sales to public authorities	631,643	600,875	30,768
6		Sub-total	15,934,120	15,508,432	425,688
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	1,080,122	817,840	262,282
14		603.2 Unmetered sales			0
15		Sub-total	1,080,122	817,840	262,282
16	604	Private fire protection service	129,007	100,747	28,260
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	931,859	591,689	340,170
22		Sub-total	1,060,866	692,436	368,430
23		Total water service revenues	18,075,108	17,018,708	1,056,400
24		<b>II. OTHER WATER REVENUES</b>			0
25	611	Miscellaneous service revenues	40,275	40,609	(334)
26	612	Rent from water property			0
27	613	Interdepartmental rents			0
28	614	Other water revenues	4,778	4,365	413
29		Total other water revenues	45,053	44,974	79
30	501	Total operating revenues	18,120,161	17,063,682	1,056,479

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

Line No.	Location (a)	Operating Revenues (b)
31	Operations not within incorporated cities <sup>1</sup>	
32	Regulatory balancing account	931,859
33	Other water sales	4,778
34		
35	Operations within incorporated territory	
36	City or town of APPLE VALLEY	17,056,121
37	City or town of VICTORVILLE	127,403
38	City or town of	
39	City or town of	
40	City or town of	
41		
42		
43		18,120,161
44		

<sup>1</sup> 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		13,476	10,189	3,287
4	701	Operation supervision, labor and expenses			C			0
5	702	Operation labor and expenses	A	B				0
6	703	Miscellaneous expenses	A			2,051,399	1,569,805	481,594
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			2,897	7,985	(5,088)
17	712	Maintenance of supply mains	A					0
18	713	Maintenance of other source of supply plant	A	B		50	147	(97)
19		Total source of supply expense				2,067,822	1,588,126	479,696
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				25,685	(25,685)
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		199,483	156,916	42,567
28	725	Miscellaneous expenses	A			110,390	94,754	15,636
29	726	Fuel or power purchased for pumping	A	B	C	1,457,210	1,433,158	24,052
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		24,495	32,290	(7,795)
34	731	Maintenance of power production equipment	A	B				0
35	732	Maintenance of pumping equipment	A	B		88,013	92,185	(4,172)
36	733	Maintenance of other pumping plant	A	B				0
37		Total pumping expenses				1,879,591	1,834,988	44,603



**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			87,779	93,839	(6,060)
6	743	Miscellaneous expenses	A	B		478	134	344
7	744	Chemicals and filtering materials	A	B		24,308	24,915	(607)
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		449	209	240
12	748	Maintenance of water treatment equipment	A	B		21,548	18,911	2,637
13		Total water treatment expenses				134,562	138,008	(3,446)
14		IV. TRANS. AND DIST. EXPENSES						
15		Operation						
16	751	Operation supervision and engineering	A	B		78,783	92,529	(13,746)
17	751	Operation supervision, labor and expenses			C			0
18	752	Storage facilities expenses	A			21,595	28,458	(6,863)
19	752	Operation labor and expenses		B				0
20	753	Transmission and distribution lines expenses	A			143,657	154,169	(10,512)
21	754	Meter expenses	A			44,397	28,810	15,587
22	755	Customer installations expenses	A			115,612	89,589	26,023
23	756	Miscellaneous expenses	A			14,255	15,081	(826)
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		346	1,274	(928)
29	761	Maintenance of trans. and distribution mains	A			493,360	443,465	49,895
30	761	Maintenance of mains		B				0
31	762	Maintenance of fire mains	A					0
32	763	Maintenance of services	A			76,482	81,640	(5,158)
33	763	Maintenance of other trans. and distribution plant		B				0
34	764	Maintenance of meters	A			123,793	73,442	50,351
35	765	Maintenance of hydrants	A			51,903	32,994	18,909
36	766	Maintenance of miscellaneous plant	A			9,386	9,545	(159)
37		Total transmission and distribution expenses				1,173,569	1,050,996	122,573

**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		57,491	58,238	(747)
4	771	Superv., meter read., other customer acct expenses			C			0
5	772	Meter reading expenses	A	B		71,048	81,872	(10,824)
6	773	Customer records and collection expenses	A			352,751	347,798	4,953
7	773	Customer records and accounts expenses		B				0
8	774	Miscellaneous customer accounts expenses	A			3,045	4,023	(978)
9	775	Uncollectible accounts	A	B	C	56,556	38,965	17,591
10		Total customer account expenses				540,891	530,896	9,995
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B				
14	781	Sales expenses			C			
15	782	Demonstrating and selling expenses	A			36,667	32,112	4,555
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				36,667	32,112	4,555
20		VII. ADMIN. AND GENERAL EXPENSES						
21		Operation						
22	791	Administrative and general salaries	A	B	C	836,666	793,162	43,504
23	792	Office supplies and other expenses	A	B	C	304,416	344,213	(39,797)
24	793	Property insurance	A			9,389	9,033	356
25	793	Property insurance, injuries and damages		B	C			0
26	794	Injuries and damages	A			573,738	615,206	(41,468)
27	795	Employees' pensions and benefits	A	B	C	1,251,071	1,081,946	169,125
28	796	Franchise requirements	A	B	C	167,356	161,888	5,468
29	797	Regulatory commission expenses	A	B	C	54,200	56,186	(1,986)
30	798	Outside services employed	A			214,095	182,247	31,848
31	798	Miscellaneous other general expenses		B				0
32	798	Miscellaneous other general operation expenses			C			0
33	799	Miscellaneous general expenses	A			38,421	43,031	(4,610)
34		Main Office Allocation				1,803,010	1,519,937	283,073
35	805	Maintenance of general plant	A	B	C	170,262	159,190	11,072
36		Total administrative and general expenses				5,422,624	4,966,039	456,585
37		VIII. MISCELLANEOUS						
38	811	Rents	A	B	C	15,600	18,200	(2,600)
39	812	Administrative expenses transferred - Cr.	A	B	C	(380,031)	(584,436)	204,405
40	813	Clearing expense	A	B	C	424,433	445,598	(21,165)
41		Total miscellaneous				60,002	(120,638)	180,640
42		Total operating expenses				11,315,728	10,020,527	1,295,201

**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	362,113				
10	State corp. franchise tax	353,631				
11	State unemployment insurance tax	11,388	10,130		380	877
12	Other state and local taxes	3,261	3,261			
13	Federal unemployment insurance tax	2,591	2,261		99	231
14	Federal insurance contributions act	203,338	178,642		7,271	17,425
15	Other federal taxes	0				
16	Federal income tax	1,346,700	1,346,700			
17						
18						
19						
20						
21						
22	Totals	2,283,021	2,256,738	0	7,750	18,533

**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	10,528
7	SPLIT DOLLAR LIFE INSURANCE	1,660
8		
9		
10		
11		
12		
13	Totals	12,188

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

Line No.	Description (a)	Amount (b)
14	NONE	
15		
16		
17		
18	Total	0

**SCHEDULE B-9**  
**Account 535 - Other Interest Charges**

Line No.	Description (a)	Amount (b)
19	CUSTOMER DEPOSITS	9,400
20		
21		
22	Total	9,400

**SCHEDULE B-10**  
**Account 538 - Miscellaneous Income Deductions**

Line No.	Description (a)	Amount (b)
23	WATER ASSOCIATION DUES	807
24	MISCELLANEOUS DONATIONS	27,825
25	PROPERTY TAX NON-UTILITY	707
26	SPLIT DOLLAR LIFE INSURANCE	220
	MISCELLANEOUS	4,580
27	Total	34,139

**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

1	Did the respondent have a contract or other agreement with any organization or person covering supervision and/or management of its own affairs during the year?	
	Answer (Yes or No)	YES
2	Name of each organization or person that was a party to such a contract or agreement	APPLE VALLEY RANCHOS WATER & PARK WATER COMPANY
3	Date of original contract or agreement.	5/21/1987
4	Date of each supplement or agreement.	
	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.	
5	Amount of compensation paid during the year for supervision or management	2,852,678
6	To whom paid	
7	Nature of payment (salary, traveling expenses, etc.)	
8	Amounts paid for each class of service	
9	Base for determination of such amounts	DIRECT CHARGE FOR IDENTIFIABLE COSTS PLUS PERCENTAGE ALLOCATION FOR OTHER COSTS BY PARK WATER COMPANY
10	Distribution of payments:	
	(a) Charged to operating expenses	2,831,764
	(b) Charged to capital accounts	20,914
	(c) Charged to other accounts	
	Total	2,852,678
11	Distribution of charges to operating expenses by primary accounts.	
	Number and Title of Account	SEE ATTACHED PAGE
	Total	
12	What relationship, if any, exists between respondent and supervisory and/or 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	20,914
507	PAYROLL TAXES	15,483
701	SOURCE OF SUPPLY OPERATIONS	13,476
721	PUMPING-OPERATIONS	0
751	T&D OPERATIONS	3,397
773	CUSTOMER RECORDS & COLLECTIONS	27,084
791	A&G SALARIES	158,268
792	A&G OFFICE EXPENSE	44,409
793	INJURIES & DAMAGES	457,842
795	EMPLOYEE PENSION & BENEFITS	110,758
798	OUTSIDE SERVICES	181,548
799	OTHER A&G	3,372
	MAIN OFFICE ALLOCATION	1,803,010
903	TRANSPORTATION CLEARINGS	8,592
906	TOOLS	4,525
	TOTAL	2,852,678

**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	5	309,516
9	Employees - Water treatment	1	61,903
10	Employees - Transmission and distribution	13	804,742
11	Employees - Customer account	4	247,613
12	Employees - Sales		
13	Employees - Administrative		
14	General officers	1	137,717
15	General office	17	1,052,354
16	Totals	41	2,613,845

**SCHEDULE C-4**

**Record of Accidents During Year**

Line No.	Date of Accident (a)	TO PERSONS					TO PROPERTY			
		Employees on Duty		Public <sup>1</sup>		Total Number (f)	Company		Other	
		Killed (b)	Injured (c)	Killed (d)	Injured (e)		Number (g)	Amount (h)	Number (i)	Amount (j)
17	Jan-Mar		1			1			2	925
18	Apr-Jun		1			1				0
19	Jul-Sep		2			2			6	2,676
20	Oct-Dec		0			0			8	5,787
21	Totals	0	4	0	0	4	0	0	16	9,388

<sup>1</sup> 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	NONE
15	
16	
17	

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

STREAMS				FLOW IN .....(unit) <sup>2</sup>				Annual Quantities Diverted .....(Unit) <sup>2</sup>	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) <sup>2</sup>	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	<sup>1</sup> Depth to Water	Pumping Capacity .....(Unit) <sup>2</sup>			
6									
7	PLEASE SEE LIST ON PAGE 49a.								
8									
9									
10									
TUNNELS AND SPRINGS				FLOW IN .....(Unit) <sup>2</sup>		Annual Quantities Used .....(Unit) <sup>2</sup>	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) <sup>2</sup>
18			
19			

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

<sup>1</sup> Average depth to water surface below ground surface.

<sup>2</sup> 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	11	11,697,000 Gals	
31	Concrete			
32	Totals	11	11,697,000 Gals	

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

APPLE VALLEY RANCHOS WATER CO. 2007					
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"	127'	1,083	5,124
7	Ptn. NW 1/4, Sec 34 T6N R4W	14"	63'	255	11,171
9	Lot 262, Tract 5885	14"	226'	895	196,260
11R	Lot 971, Tract 6115	18"	208'	1,840	738,554
12	Ptn. NE 1/4, SW 1/4, Sec 30	16"	100'	969	275,553
16	Ptn. SE 1/4, Sec 30, T5N R3W	16"	90'	1,096	255,319
17	Ptn. SW 1/4, Sec 13, T5N R4W	16"	92'	554	285,112
18	Lot 360, Tract 5704	16"	67'	1,013	489,301
19	Lot 1059, Tract 6257	16"	186'	809	111,058
20	Ptn. SW 1/4, Sec 13, T5N R4W	16"	80'	0	0
21	Ptn. NW 1/4, Sec 28, T5N R3W	20"	180'	926	113,454
22	Ptn. NE 1/4, SW 1/4, Sec 28	20"	184'	1,677	695,957
23	Lot 335, Tract 4053	20"	149'	489	260,168
24	Ptn. NW 1/4, NE 1/4, Sec 4	14"	193'	851	496,251
25	18555 Tuscola, T5N R4W, Sec 13	16"	117'	440	231,502
26	18588 Seneca, T5N, R4W, Sec 13	20"	8'	1,406	61,489
27	21271 Waalew Road	10"	91'	0	0
28	Riverside Drive	18"	45'	907	92,007
29	19237 Yucca Loma	20"	92'	2,127	878,877
33	12189 Apple Valley Road	20"	94'	2,461	1,239,406
34	12500 Geronimo Road	16"	135'	1,586	539,615
36	19739 Tussing Ranch Road	20"	71'	3,180	93,776
30	11401 Apple Valley Road	14"	90'	1,502	505,080
31	Apple Valley Road	14"	56'	0	0
32	19382 Del Oro Road	10"	51'	0	0
3	Agricultural Well	18"	0'	1,000	0
4	Agricultural Well	18"	67'	870	592,970
5	Agricultural Well	18"	85'	2,700	1,991,439
TOTALS				30,636	10,159,443

**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	NONE							
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									0
12	Cast Iron (cement lined)									0
13	Gravity Irig.									0
14	PVC DR 25									0
15	Riveted steel									0
16	Standard screw									0
17	Screw or welded casing									0
18	Cement - asbestos						169		46,385	42,218
19	Welded steel	1,150	2,900	19,493		16,375	230,625	15,816	234,618	130,926
20	PVC CL 200								1,883	18,125
21	PVC CL 150			7,209		2,020	25,774		383,290	490,689
22	Totals	1,150	2,900	26,702		18,395	256,568	15,816	666,176	681,958

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									0
24	Cast Iron (cement lined)									0
25	Gravity Irig.		5,590					3,785	1,780	11,155
26	PVC DR 25									0
27	Riveted steel									0
28	Standard screw									0
29	Screw or welded casing									0
30	Cement - asbestos	3,662	83,293	24,169	7,420					207,316
31	Welded steel		147,250	6,785						805,938
32	PVC CL 200		33,478	3,262	28,345		7,865			92,958
33	PVC CL 150	1,651	286,887	25,805	20,756	5,606	2,286			1,251,973
34	Totals	0	556,498	60,021	56,521	5,606	10,151	3,785	1,780	2,369,340

**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)	18,486	18,639		
Industrial	2	2		
Public authorities	42	42		
Irrigation	121	143		
Other (specify)	6	6		
Subtotal	18,657	18,832		
Private fire connections	117	162		
Public fire hydrants	2,378	2,429		
Total	21,152	21,423		

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

Size	Meters	Services
5/8 x 3/4-in.	17,290	XXXXXXXXXXXXXXXXXXXX
3/4-in.	378	
1-in.	1,407	
1-1/2-in.	174	
2-in.	192	
3-in.	116	
4-in.	67	
6-in.	98	
8-in.	34	
10- & 12-in.	9	
Other Unknown		
Total	19,765	

**SCHEDULE D-6  
Meter Testing Data**

<b>A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:</b>	
1. New, after being received . . . . .	<u>3,022</u>
2. Used, before repair . . . . .	<u>          </u>
3. Used, after repair . . . . .	<u>          </u>
4. Found fast, requiring billing adjustment . . . . .	<u>          </u>
<b>B. Number of Meters in Service Since Last Test</b>	
1. Ten years or less . . . . .	<u>15,885</u>
2. More than 10, but less than 15 years . . . . .	<u>2,085</u>
3. More than 15 years . . . . .	<u>99</u>

**SCHEDULE D-7**

Water delivered to Metered Customers by Months and Years in \_\_\_\_\_ Ccf (Unit Chosen)<sup>1</sup>

Classification of Service	During Current Year												Subtotal	
	January	February	March	April	May	June	July	August	September	October	November	December		
Commercial	334,523	342,109	290,877	463,262	460,522	628,030	682,933							3,202,256
Industrial	0	249	0	241	0	306	0							796
Public authorities	9,673	6,938	10,620	18,535	26,540	33,067	39,517							144,890
Irrigation-Potable	1,575	0	1,456	0	5,812	0	10,435							19,278
Irrigation-Landscape	20,430	2,391	8,386	8,131	21,201	15,266	45,114							120,919
Irrigation-Reclaimed	64,792	0	43,957	0	111,308	0	182,303							402,360
Fire Hydrant	0	0	0	0	0	0	0							0
<b>Total</b>	<b>430,993</b>	<b>351,687</b>	<b>355,296</b>	<b>490,169</b>	<b>625,383</b>	<b>676,669</b>	<b>960,302</b>							<b>3,890,499</b>
Classification of Service	During Current Year												Total	
	August	September	October	November	December	Subtotal	Total	Prior Year						
Commercial	757,906	714,108	751,751	413,984	407,184	3,044,933	6,247,189	6,067,141						
Industrial	366	0	320	0	298	984	1,780	1,158						
Public authorities	46,780	42,772	38,373	27,830	14,222	169,977	314,867	298,073						
Irrigation-Potable	0	10,875	0	4,531	0	15,406	34,684	32,853						
Irrigation-Landscape	27,333	64,117	23,533	36,599	9,278	160,860	281,779	234,989						
Irrigation-Reclaimed	0	163,107	0	90,492	0	253,599	655,959	434,435						
Fire Hydrant	0	0	0	0	0	0	0	0						
<b>Total</b>	<b>832,385</b>	<b>994,979</b>	<b>813,977</b>	<b>573,436</b>	<b>430,982</b>	<b>3,645,759</b>	<b>7,536,258</b>	<b>7,068,649</b>						

<sup>1</sup> 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 \_\_\_\_\_

53,279

**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?		YES
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 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	(162,109)			(8,271)			(170,380)
2	2001 Balancing Account-Irrigation	See Footnote B	(273,892)			(13,974)			(287,866)
3	2001 Memorandum Account-Domestic	See Footnote C	14,518			741			15,259
4	2001 Memorandum Account-Irrigation	See Footnote C	2,855			146			3,001
5	2002 Memorandum Account-Domestic	See Footnote C	385,193			19,653			404,846
6	2002 Memorandum Account-Irrigation	See Footnote C	34,613			1,766			36,379
7	2003 Memorandum Account-Domestic	See Footnote C	(94,839)			(4,839)			(99,678)
8	2003 Memorandum Account-Irrigation	See Footnote C	(19,928)			(1,017)			(20,945)
9	2004 Memorandum Account-Domestic	See Footnote C	(113,188)			(5,775)			(118,963)
10	2004 Memorandum Account-Irrigation	See Footnote C	1,494			76			1,570
11	2005 Memorandum Account-Domestic	See Footnote C,E	(197,266)			(17,510)			(225,734)
12	2005 Memorandum Account-Irrigation	See Footnote C,E	(12,304)			(2,183)			(15,226)
13	2006 Memorandum Account-Domestic	See Footnote A,C,E	796,723			(68,142)			765,755
14	2006 Memorandum Account-Irrigation	See Footnote A,C,E	19,059			(1,240)			18,728
15	2007 Memorandum Account-Domestic	See Footnote A,C	0			824,643			842,666
16	2007 Memorandum Account-Irrigation	See Footnote A,C	0			14,719			15,048
17	CARW Balancing Account-Domestic	See Footnote A,D	(151,924)	52,295	(7,069)	329			(106,696)
18	CARW Memorandum Account-Domestic	See Footnote A,D	1,717		1,741	126			3,584
19	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.
- D: Decision No. 05-12-020 dated December 15, 2005.
- E: Revised to actual amounts in 2007 (Domestic & Irrigation).



**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.

The California Alternative Rates for Water (CARW) program consists of a \$5 per month service charge discount to customers who meet the income eligibility requirements as established by the Commission (published on the Commission's website at [cpuc.ca.gov/static/energy/care.htm](http://cpuc.ca.gov/static/energy/care.htm)). Customers must submit an application and eligibility declaration form to participate in the CARW program.

2 Participation rate for Year 2007 (as a percent of total customers served).

The participation in the program at 2007 year end was 1,523 customers which represents approximately 9% of all residential customers.

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 was established to track the the difference between the low-income discounts provided to qualifying customers and the recorded revenues generated by the \$1.00 surcharge. (See Schedule E-1)

A CARW implementation cost memorandum account was established to record the incremental costs associated with implementing and maintaining the CARW program. (See Schedule E-1)

**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 103 surveys performed in 2007 at a total cost of \$7,328. These surveys are estimated to result in the conservation of over 3,000 Ccf's 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. Conservation kits are available to customers at a nominal fee. These kits are annually distributed 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 2007. Approximately 100 kits were distributed in 2007.

In the Landscape Conservation Program, AVR works in partnership with the Alliance of Water Awareness and Conservation (AWAC), Victor Valley College, 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 a large supply of handbooks were purchased prior to 2007.

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 \$20,256 in 2007.

AVR has a designated Conservation Coordinator who allocates time to conservation activities. The Conservation Coordinator is responsible for the water conservation and recycling activities that AVR is involved in. The cost of the employee's time spent on conservation activities is funded through rates charged to all customers. The recorded cost was \$6,500 in 2007.

**Schedule E- 4  
Report on Affiliate Transactions**

**Affiliate includes all related companies including but not limited to Parent, Affiliates, and Subsidiaries.**

**INSTRUCTIONS:**

\* For those utilities with specifically authorized affiliate transaction rules, provide all information required by those rules.

\* For those utilities with no specifically authorized affiliate transaction rules, or those utilities whose authorized affiliate transaction rules do not provide the following information, provide the following:

1. Summary of all transactions between regulated water utility and its affiliated companies for the previous calendar year. The summary shall include a description of each transaction and an accounting of all dollars associated with each transaction although each transaction need not be separately identified where multiple transactions occur in the same account. These transactions shall include:

- (a) services provided by regulated water utility to any affiliated company;
- (b) services provided by any affiliated company to regulated water utility;
- (c) assets (both tangible and intangible) transferred from regulated water utility to any affiliated company;
- (d) assets (both tangible and intangible) transferred from any affiliated company to regulated water utility;
- (e) employees transferred from regulated water utility to any affiliated company;
- (f) employees transferred from any affiliated company to regulated water utility; and
- (g) financing arrangements and transactions between regulated water utility and any affiliated company.

1(a) None.

1(b) The parent company, Park Water Company, provides engineering, financial, electronic data processing, regulatory, water quality and other management services to all of its subsidiaries.  
These management services along with the related fees are referenced in schedule C137A.

SICC provides landscaping, painting, specialized coatings and general building maintenance. The services provided by SICC and the associated costs can be found in schedule D-9.

1(c) None.

1(d) The following items were transferred from Park Water Company to Apple Valley Ranchos during 2007:

Navtrak Vehicle Tracking System	\$553.76
Central Processing Unit	\$1,272.23

1(e) None.

1(f) None.

1(g) The intercompany payable to Park Water Company and related interest is shown in schedule A-29.

**CLASS A, B, C AND D WATER COMPANIES  
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA)

1. Current Fiscal Agent: **NOT APPLICABLE**

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_  
 Account Number: \_\_\_\_\_  
 Date Hired: \_\_\_\_\_

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

\$ _____ NOT APPLICABLE	Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
	3/4 inch	_____	_____
	1 inch	_____	_____
	1 1/2 inch	_____	_____
	2 inch	_____	_____
	3 inch	_____	_____
	4 inch	_____	_____
	6 inch	_____	_____
	Number of Flat Rate Customer s	_____	_____
	<b>Total</b>	_____	_____

3. Summary of the bank account activities showing: **NOT APPLICABLE**

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

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

\_\_\_\_\_  
 \_\_\_\_\_

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

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT		NONE.			
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

**FACILITIES FEES DATA**

Please provide the following information relating to Facilities Fees for districts or subsidiaries servicing 2,000 or fewer connections for the calendar year. (Per D.91-04-068)

1. Trust Account Information: **NOT APPLICABLE**

Bank Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Date Opened: \_\_\_\_\_

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

**A. Commerical NOT APPLICABLE**

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

**B. Residential NOT APPLICABLE**

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

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

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

\_\_\_\_\_  
\_\_\_\_\_

**DECLARATION**  
**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, 2007 to and including December 31, 2007.

SIGNED  -----

Title **VICE PRESIDENT AND GENERAL MANAGER**

Date **APRIL 28, 2008** -----

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