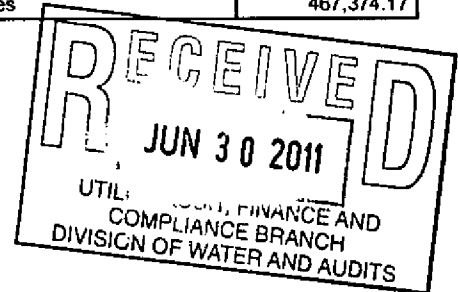


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**BENBOW WATER CORPORATION** *Year 2010*  
**ESTIMATED SCHEDULE A-BALANCE SHEET (December 31, 2010)**

Line	acct.	Assets	Balance	acct.	Equity and Liabilities	Balance
1	101	Water plant in service	681,537.77	201	Common Stock (Corporations only)	
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	339,993.78
4	105	Water plant construction work in progress		218	Proprietary capital	94,747.44
5	108	Accumulated depreciation of water plant	(189,068.20)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	32,632.95
7	124	Other investments		252	Advances for construction	
8	131	Cash	47,234.80	253	Other deferred credits*	
9	141	Accounts receivable	21,628.23	255	Accumulated deferred investment tax credits	
10	142	Receivables from assoc. companies		282	Accumulated deferred income taxes-Acrs	
11	151	Material and supplies			depreciation	
12	174	Other current assets	2,983.70	283	Accumulated deferred income taxes-other	
13	180	Deffered charges		271	Contributions in aid of construction	24,939.67
14		*Acc. Amort. of SDWBA Loan (108.4)	(96,942.13)		Accumulated Dep. (Cont. in aid of Const.)	(24,939.67)
15		<b>Total Assets</b>	<b>467,374.17</b>		<b>Total Equity and Liabilities</b>	<b>467,374.17</b>



Cash:

- #131.3 (Six River National Bank) 38,034.80
- #131.6 (Six River National Bank) 9,200.00

Accounts Receivable:

- #141.0 (A/R Customers) 21,628.23
- #141.5 (Officer Receivable)

Other Current Assets:

- #174.1 (Prepaid Insurance) 2,943.70
- #174.3 (Prepaid State Corp Tax) 40.00

Current Liabilities:

- #231.0 (Accounts Payable) 5,435.87
- #231.1 (Salaries & Wages Payable)
- #231.2 (Other Payables)
- #231.6 (Retirement Account) 1,150.00
- #233.0 (Customer Deposits) 11,047.08
- #236.2 (Acc. Payroll)
  
- #241.2 (Notes Payable, Land) 15,000.00

16	<b>BENBOW WATER CORPORATION</b>						
17	<b>ESTIMATED SCHEDULE B-WATER PLANT IN SERVICE (December 31, 2010)</b>						
18							
19			Balance	Pnt. Addts.	Pnt. Retmnts	Other Debits	Balance
20	Acct.	Title of Account	Beg. of Year	During Year	During Year	or (Credits)	End of Year
21	301	Intangible Plant	100,356.68				100,356.68
22	303	Land	17,100.00				17,100.00
23	304	Structures	81,019.07				81,019.07
24	307	Wells	15,084.38				15,084.38
25	317	Other water source plant					
26	311	Pumping equipment	76,155.26	117.26			76,272.52
27	320	Water treatment plant	112,321.78	5,659.42			117,981.20
28	330	Reservoirs, tanks and standpipes	97,909.04	2,783.75			100,692.79
29	331	Water mains	80,849.94	444.89			81,294.83
30	333	Services and meter installations	13,207.68				13,207.68
31	334	Meters	18,015.84	319.27			18,335.11
32	335	Hydrants	3,737.96				3,737.96
33	339	Other equipment	9,381.03	107.70			9,488.73
34	340	Office furniture and equipment	14,930.41				14,930.41
35	341	Transportation equipment	32,036.41				32,036.41
36		Total water plant in service	672,105.48				681,537.77

37	<b>BENBOW WATER CORPORATION</b>		
38	<b>SCHEDULE C-RESERVE FOR DEPRECIATION OF UTILITY PLANT (December 31, 2010)</b>		
39			
40			
41		Account 108	Account 108.1
42	item	Water Plant	SDWBA Loans
43	Balance in reserves at beginning of year	175,530.25	A. Method used to compute depreciation
44	Add: Credits to reserves during year		expense (Acct. 403) and rate
45	(a) Charged to account no. 403*	13,537.95	2.40%
46	(b) Charged to account no. 272		
47	(c) Charged to cleaning accounts		A. Amount of depreciation expense claimed
48	(d) Salvage recovered		on utility property in your federal
49	(e) All other credits		income tax return for the year covered
50	Total credits*	13,537.95	by this report. \$
51	Deduct: Debts to reserves during year		
52	(a) Book cost of property retired		
53	(b) Cost of removal		A. State method used to compute tax
54	(c) All other debits		depreciation:
55	Total debits		
56	Balance in reserve at end of year	189,068.20	
57			
58			
59			
60			
61			

\*2.40% of Total Water Plant in Service less Intangible Plant & Land  
#272=25yrs S.L./#271



13	BENBOW WATER CORPORATION		
14	SCHEDULE F-INCOME STATEMENT		
15		Operating Revenues	XXXXXXXXXXXX
16	460	Unmetered water revenue	
17	462	Fire protection revenue	1,656.00
18	465	Irrigation revenue	
19	470	Metered water revenue	161,022.53
20	480	Other water revenue <sup>1</sup>	4,384.55
21		Total Operating Revenue	167,063.08
22		Operating Revenue Deductions	XXXXXXXXXXXX
23		Operating expenses	XXXXXXXXXXXX
24	610	Purchased Water	
25	615	Power	15,155.07
26	618	Other volume related expenses	2,032.11
27	630	Employee labor	
28	640	Materials	3,987.45
29	650	Contract work	19,852.47
30	660	Transportation expenses	3,571.44
31	664	Other plant maintenance expense	2,157.48
32	670	Office salaries	
33	671	Management salaries	19,152.88
34	674	Employee pensions and benefits	1,185.00
35	676	Uncollectible accounts expense	
36	678	Office services and rentals	49.99
37	681	Office supplies and expense	5,459.87
38	682	Professional services	12,968.42
39	684	Insurance	5,543.90
40	688	Regulatory commission expense <sup>2</sup>	2,283.63
41	689	General Expenses	11,444.78
42		Total Operating Expenses	104,844.49
43	403	Depreciation Expense	13,537.95
44	407		
44	408	Taxes other than income taxes	10,875.07
45	409	State corporate income tax expense	876.74
46	410	Federal corporate income tax expense	
47		Total Operating Revenue Deductions	130,134.25
48	421	Non-utility income	
49	426	Miscellaneous non-utility expense	
50	427	Interest expense	3,610.15
51		Net Income	33,318.68

<sup>2</sup>CPUC Surcharge, filing fees, etc.

462.3 Private Fire Prot-S	\$1,656.00
470.1 Residential, Metered	\$27,925.68
470.2 Commercial, Metered	\$9,455.09
470.3 Residential Service	\$82,193.76
470.4 Commercial Service	\$41,448.00
470.5 SDWBA Surcharge	
480.1 PUC Surcharge Revenue	\$2,295.37
480.3 Late Charge Fees	\$1,892.18
480.4 Bulk Water Revenue	\$2,492.37

54	BENBOW WATER COMPANY					
55	SCHEDULE I-EMPLOYEES AND THEIR COMPENSATION					
56	Acct.	Account	Number at end of year	Salaries charged to Expense	Salaries charged to Plant Accounts	Total Salaries and Wages Paid
58	630	Employee Labor*				
59	670	Office Salaries				
60	671	Management Salaries*	1	18,000.00		18,000.00
61		Total	1	18,000.00		18,000.00

Does not include wages and salaries payable & charged to plant accounts

**BENBOW WATER CORPORATION**  
**SCHEDULE G-SOURCES OF SUPPLY & WATER DEVELOPED WELLS**

Location	no.	Diam. inch	Depth to water feet	Pumping capacity	Annual quantities
Fern Springs #1		72	20	190	31,330,000
RV Resort Collector		48	16	Out of Serv.	

**SCHEDULE K-TOTAL METERS AND SERVICES**

Size	Meters	Services
5/8X 3/4-in.	51	XXXX
3/4-in.	48	
1-in.	6	109
1 1/2-in.	1	1
2-in.	2	2
4-in.	1	1
Total	109	113

**SCHEDULE L-METER TESTING DATA**

Number of meter tested during year
1. Used, before repair
2. Used, after repair
3. Fast, requires refund
Number of meters in service requiring test per GO #103


**SCHEDULE M-SERVICE CONNECTIONS AT END OF YEAR**

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	101		101	2		2	103	
Industrial								
Commercial	11		11				11	
Subtotal	112		112				112	
Fire Protection	1		1				1	
Total	113		113			2	113	

**SCHEDULE N-STORAGE**

**SCHEDULE O-FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)**

Desc	No.	Combined capacity	Description	2" and under	2 1/2" to 3 1/2"	4"	Other sizes		Totals
							6"	8"	
Concrete			Cast iron					150	150
Wood			Screwed stl.						
Steel	1	115,000	AC			4,885	7,026		11,911
Other	3	15,000	PVC	1,829	1,802	4,941	1,133	1,780	11,485
			HDPE	150	2,450	990	1,500		5,090
Total	4	130,000	Total	1,979	4,252	10,816	9,659	1,930	28,636

  
 Signed \_\_\_\_\_  
 Title PRESIDENT  
 Date 6-26-11