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Examined _____

CLASS B and C
WATER UTILITIES E
APR 9 - 2007
UTILITY AUDIT, FINANCE AND
COMPLIANCE BRANCH WATER DIVISION

U# _____

2006
ANNUAL REPORT
OF

Nacimiento Water Company

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

2890 Saddle Way

Bradley, CA

93426

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2006

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007
(FILE TWO COPIES IF THREE RECEIVED)

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STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2006

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(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 calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF

SELECTED FINANCIAL DATA SHEET

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

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

Please follow the instruction 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.

NAME OF UTILITY Nacimiento Water Company

PHONE 805-472-2540

PERSON RESPONSIBLE FOR THIS REPORT Tim Bean

(Prepared from Information in the 2006 Annual Report)

	1/1/06	12/31/06	Average
BALANCE SHEET DATA			
1 Intangible Plant	0	0	0
2 Land and Land Rights	44,773	51,273	48,023
3 Depreciable Plant	2,641,027	2,625,103	2,633,065
4 Gross Plant in Service	2,685,800	2,676,376	2,681,088
5 Less: Accumulated Depreciation	(935,651)	(1,038,352)	(987,002)
6 Net Water Plant in Service	1,750,148	1,638,024	1,694,086
7 Water Plant Held for Future Use			
8 Construction Work in Progress	25,617	30,261	27,939
9 Materials and Supplies			
10 Less: Advances for Construction	0	0	()
11 Less: Contribution in Aid of Construction	(1,505,487)	(1,423,782)	(1,464,635)
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	270,278	244,503	257,390
CAPITALIZATION			
14 Common Stock	25,000	25,000	25,000
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	159,200	159,200	159,200
17 Retained Earnings	(181,203)	(83,652)	(132,427)
18 Common Stock and Equity (Lines 14 through 17)	2,997	100,548	51,773
19 Preferred Stock			
20 Long-Term Debt	25,419	18,954	22,187
21 Notes Payable	131,619	139,215	135,417
22 Total Capitalization (Lines 18 through 21)	160,035	258,717	209,376

NAME OF UTILITY Nacimiento Water Company PHONE 805-472-2540

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	3,830
24	Fire Protection Revenue	59,121
25	Irrigation Revenue	
26	Metered Water Revenue	372,606
27	Total Operating Revenue	435,558
28	<u>Operating Expenses</u>	312,062
29	Depreciation Expense (Composite Rate _____)	20,267
30	Amortization and Property Losses	
31	Property Taxes	1,889
32	Taxes Other Than Income Taxes	14,310
33	Total Operating Revenue Deduction Before Taxes	348,528
34	California Corp. Franchise Tax	800
35	Federal Corporate Income Tax	0
36	Total Operating Revenue Deduction After Taxes	349,328
37	Net Operating Income (Loss) - California Water Operations	86,230
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	
39	Income Available for Fixed Charges	86,230
40	Interest Expense	8,946
41	Net Income (Loss) Before Dividends	77,284
42	Preferred Stock Dividends	
43	Net Income (Loss) Available for Common Stock	77,284
OTHER DATA		
44	Refunds of Advances for Construction	
45	Total Payroll Charged to Operating Expenses	158,450
46	Purchased Water	12,444
47	Power	16,468

<u>Active Service Connections</u>	(Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	606	624	615
49	Flat Rate Service Connections			
50	Total Active Service Connections	606	624	615

Excess Capacity and Non-Tariffed Services

NOTE: in D.00-07-018, D.00-04-028, 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 companies Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.00-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 200 :

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter

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

NA

**CLASS B, C AND D 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:

Name: NA
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: _____

**CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA (continued)**

N/A

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		NON-DEPRECIABLE PLANT					
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					

GENERAL INFORMATION

1 Name under which utility is doing business: Nacimientto Water Company

2 Official mailing address: 2890 Saddle Way
Bradley, CA ZIP 93426

3 Name and title of person to whom correspondence should be addressed: Tim Bean, Gen. Mgr.
Telephone: 805-472-2540

4 Address where accounting records are maintained: Same

5 Service Area: (Refer to district reports if applicable.) Tracts 378, 379, 380, & 381 and Phase I of Tract 2162 and the Cantinas Campground on the N. shore of L. Nacimientto, San Luis Obispo county

6 Service Manager (if located in or near Service Area): (Refer to district reports if applicable.)

Name: _____

Address: _____ Telephone: _____

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) Nacimientto Water Company, Inc.
 Organized under laws of (state) California

Principal Officers:

(Name)	Peggy Bean	(Title)	President
(Name)	Tim Bean	(Title)	Vice President
(Name)		(Title)	
(Name)		(Title)	

8 Names of associated companies: none

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: none

Date: _____
 Date: _____
 Date: _____
 Date: _____

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

11 List Name, Grade, and License Number of all Licensed Operators:

Tim Bean	T2 & D2	06743	
Larry Denny	T4 & D2	17344	
Silas Denny	T1	18797	

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct. No.	Title of Account (a)	Schedule No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		CORPORATE CAPITAL AND SURPLUS			
2	201	Common stock	A-6	25,000	25,000
3	204	Preferred stock	A-6		
4	211	Other paid-in capital	A-8	159,200	159,200
5	215	Retained earnings	A-9	(103,919)	(181,203)
6		Total corporate capital and retained earnings		80,281	2,997
7		PROPRIETARY CAPITAL			
8	218	Proprietary capital	A-10		
9	218.1	Proprietary drawings			
10		Total proprietary capital			
11		LONG TERM DEBT			
12	224	Long term debt	A-11	18,954	25,419
13	225	Advances from associated companies	A-12		
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		17,760	15,201
16	232	Short term notes payable			7,538
17	233	Customer deposits			
18	235	Payables to associated companies	A-13		
19	236	Accrued taxes		5,865	3,750
20	237	Accrued interest			
21	241	Other current liabilities	A-14	139,215	131,619
22		Total current and accrued liabilities		162,839	158,108
23		DEFERRED CREDITS			
24	252	Advances for construction	A-15		
25	253	Other credits		90,215	97,520
26	255	Accumulated deferred investment tax credits	A-16		
27	282	Accumulated deferred income taxes - ACRS depreciation	A-16		
28	283	Accumulated deferred income taxes - other	A-16		
29		Total deferred credits		90,215	97,520
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	A-17	2,244,991	2,237,686
32	272	Accumulated amortization of contributions		(821,209)	(776,567)
33		Net contributions in aid of construction		1,423,782	1,461,119
34		Total liabilities and other credits		1,776,072	1,745,164

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Pit Additions During year (c)	Pit Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water plant in service	2,685,452	16,121	25,197		2,676,376
2	103	Water plant held for future use					
3	104	Water plant purchased or sold					
4	105	Construction work in progress - water plant	25,617	4,645	XXXXXXXXXXXXX		30,262
5	114	Water plant acquisition adjustments			XXXXXXXXXXXXX		
6		Total utility plant	2,711,069	20,765			2,731,834

* Debit or credit entries should be explained by footnotes or supplementary schedules

**SCHEDULE A-1a
Account No. 101 - Water Plant in Service**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Pit Additions During year (c)	Pit Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land	44,773	6,500			51,273
4		Total non-depreciable plant	44,773	6,500			51,273
5		DEPRECIABLE PLANT					
6	304	Structures	316,105	3,179			319,285
7	307	Wells	174,784				174,784
8	317	Other water source plant	36,636				36,636
9	311	Pumping equipment	56,429	1,738			58,167
10	320	Water treatment plant	858,816	1,926			860,742
11	330	Reservoirs, tanks and sandpipes	200,252				200,252
12	331	Water mains	620,892				620,892
13	333	Services and meter installations	159,739				159,739
14	334	Meters	52,210	2,316			54,526
15	335	Hydrants	36,000				36,000
16	339	Other equipment	30,106				30,106
17	340	Office furniture and equipment	14,473	461			14,934
18	341	Transportation equipment	84,239				84,239
19		Total depreciable plant	2,640,680	9,621			2,650,300
20		Total water plant in service	2,685,452	16,121			2,701,573

* Debit or credit entries should be explained by footnotes or supplementary schedules

SCHEDULE A-1b
Account No. 103 - Water Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property will be placed in Service (c)	Balance End of Year (d)
1	none			
2				
3				
4				
5				
6				
7				
8				
9				
10	Total			

SCHEDULE A-2
Account No. 121 - Non-utility Property and Other Assets

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1	none	
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	

SCHEDULE A-3
Account Nos. 108 and 122 - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 106 Water Plant (b)	Account 106.1 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	998,640		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	20,267		
4	(b) Charged to Account No 272	44,642		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits	64,909		
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	25,197		
11	(b) Cost of removal			
12	(c) All other debits (Footnote 3)			
13	Total debits	25,197		
14	Balance in reserve at end of year	1,038,352		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			%
16				
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19				
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS:			
24				
25				
26				
27				
28				
29	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION			
30	(a) Straight line		<input type="checkbox"/>	
31	(b) Liberalized		<input type="checkbox"/>	
32	(1) Sum of the years digits		<input type="checkbox"/>	
33	(2) Double declining balance		<input type="checkbox"/>	
34	(3) Other		<input type="checkbox"/>	
35	(c) Both straight line and liberalized		<input checked="" type="checkbox"/>	

SCHEDULE A-3a
Account No. 108 - Analysis of Entries in Depreciation Reserve

Line No.	Acct No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excl. Cost of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)	
1	304	Structures	Detail by account is not available - See attached					
2	307	Wells	depreciation schedule.					
3	317	Other water source plant						
4	311	Pumping equipment						
5	320	Water treatment plant						
6	330	Reservoirs, tanks and sandpipes	949,360	52,360			1,001,720	
7	331	Water mains						
8	333	Services and meter installations						
9	334	Meters						
10	335	Hydrants						
11	339	Other equipment						
12	340	Office furniture and equipment	3,755	378			4,133	
13	341	Transportation equipment	45,525	12,171	25,197		32,499	
14		Total	998,640	64,909	25,197		1,038,352	

SCHEDULE A-4
Account No. 174 - Other Current Assets

Line No.	Item (a)	Amount (b)
1	none	
2		
3		
4		
5		
6		
7		
8		
9		
10		

SCHEDULE A-5

Accounts Nos. 180 and 253 - 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 or 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.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From -- (d)	To -- (e)				
1	Account 253:								
2	Contributions from Jonatkim Enterprises					97,520	7,305		90,215
3									
4	Account 180								
5	Water Contracts - '85 & earlier					36,460	1,320		35,140
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

SCHEDULE A-6
Account Nos. 201 and 204 - Capital Stock

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common stock	6/25/69		\$1	25,000	25,000	0	0
2								
3								
4								
5								
6								
							Total	0

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK		PREFERRED STOCK	
	Name (a)	Number of Shares (b)	Name (c)	Number of Shares (d)
1	Peggy Bean	19,000		
2	Timothy D. Bean	6,000		
3				
4				
5				
6				
7	Total number of shares	25,000	Total number of shares	none

SCHEDULE A-8
Account No. 211 - Other Paid in Capital (Corporations only)

Line No.	Type of Paid in Capital (a)	Balance End of Year (b)
1	Additional paid in capital	
2		159,200
3		
4	Total	159,200

SCHEDULE A-9
Account No. 215 - Retained Earnings
(Corporations Only)

Line No	Item (a)	Amount (b)
1	Balance beginning of year	(181,203)
2	CREDITS	
3	Net income	77,284
4	Prior period adjustments	
5	Other credits (detail)	
6	Total credits	77,284
7		
8	DEBITS	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	
14	Total debits	
15	Balance end of year	(103,919)

SCHEDULE A-10
Account No. 218 - Proprietary Capital
(Sole Proprietor or Partnership)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	CREDITS	
3	Net income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total credits	
7	DEBITS	
8	Net losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total debits	
12	Balance end of year	

SCHEDULE A-11
Account No. 224 - Long Term Debt

Line No.	Class (a)	Name of Issue (b)	Date of issue (c)	Date of Maturity (d)	Principal Amount Authorized (e)	Outstanding Per Balance Sheet (f)	Rate of Interest (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	Note payable		9/16/05	8/16/09	27,408	18,954	5.49%			1,200
2										
3										
4										
5										
6										

SCHEDULE A-12
Account No. 225 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	none				
2					
3					
4	Totals				

Schedule A-13
Account No. 235 - Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	none				
2					
3					
4	Totals				

SCHEDULE A-14
Account No. 241 - Other Current Liabilities

Line No.	Description (a)	Balance End of Year (b)
1	Shareholder loan	139,215
2		
3		
4		
5	Totals	139,215

SCHEDULE A-15
Account No. 252 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year		0
2	Additions during year	XXXXXXXXXXXXXXXXXX	
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXXXXXX	
4	Charges during year:	XXXXXXXXXXXXXXXXXX	
5	Refunds	XXXXXXXXXXXXXXXXXX	
6	Percentage of revenue basis		XXXXXXXXXXXXXXXXXX
7	Proportionate cost basis		XXXXXXXXXXXXXXXXXX
8	Present worth basis		XXXXXXXXXXXXXXXXXX
9	Total refunds		XXXXXXXXXXXXXXXXXX
10	Transfers to Acct. 271, Contributions in aid of Construction	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts		XXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 271		XXXXXXXXXXXXXXXXXX
14	Securities Exchanged for Contracts (Enter detail below)		XXXXXXXXXXXXXXXXXX
15	Subtotal - charges during year		
16	Balance end of year	XXXXXXXXXXXXXXXXXX	0

SCHEDULE A-16
Account Nos. 255, 282, and 283 - Deferred Taxes

Line No.	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 - Other (d)
1				
2				
3				
4				
5	Totals			

SCHEDULE A-17

Account No. 271 - Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid of Construction

- 1 The credit balance in the account other than that portion of the balance relating to nondepreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 106, Accumulated depreciation of water 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 No. 106. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.

- 2 That portion of the balance applicable to nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.

- 3 That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 ²	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 ³
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	2,237,686	2,222,686	15,000		
2	Add: Credits to account during year					
3	Contributions received during year					
4	Other credits*	7,305	7,305			
5	Total credits					
6	Deduct: Debits to Account during year					
7	Depreciation charges for year					
8	Nondepreciable donated property retired					
9	Other debits*					
10	Total debits					
11	Balance end of year	2,244,991	2,229,991	15,000		

* Indicate nature of these items and show the accounts affected by the contra entries
 Transfers from Account #253 for items placed in service

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceeding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
1		WATER SERVICE REVENUES			
2	460	Unmetered water revenue			
3		460.1 Single - family residential			
4		460.2 Commercial and multi-residential			
5		460.3 Large water users			
6		460.5 Safe Drinking Water Bond Surcharge			
7		460.9 Other unmetered revenue			
8		Sub-total			
9	462	Fire protection revenue			
10		462.1 Public fire protection			
11		462.2 Private fire protection	59,121	39,847	19,274
12		Sub-total			
13	465	Irrigation revenue			
14	470	Metered water revenue			
15		470.1 Single-family residential	364,686	235,028	129,658
16		470.2 Commercial and multi-residential			
17		470.3 Large water users	7,920	4,331	3,589
18		470.5 Safe Drinking Water Bond Surcharge			
19		470.9 Other metered revenue			
20		Sub-total			
21		Total water service revenues			
22	480	Other water revenue	3,830	6,803	(2,972)
23		Total operating revenues	435,558	286,009	149,549

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceeding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
1		PLANT OPERATION AND MAINTENANCE EXPENSES			
2		VOLUME RELATED EXPENSES			
3	610	Purchased water	12,445	11,802	643
4	615	Power	16,468	11,685	4,783
5	616	Other volume related expenses	9,834	9,581	253
6		Total volume related expenses	38,747	33,068	5,679
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee labor	88,720	71,238	17,482
9	640	Materials	19,127	10,243	8,884
10	650	Contract work	4,591	2,565	2,027
11	660	Transportation expenses	20,157	11,667	8,491
12	664	Other plant maintenance expenses	5,365	5,100	265
13		Total non-volume related expenses	137,961	100,812	37,149
14		Total plant operation and maintenance exp.	176,708	133,880	42,828
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	4,802	1,122	3,680
17	671	Management salaries	64,928	55,290	9,638
18	674	Employee pensions and benefits	26,061	20,788	5,273
19	676	Uncollectible accounts expense	2,771	391	2,381
20	678	Office services and rentals	900	900	0
21	681	Office supplies and expenses	4,647	3,706	941
22	682	Professional services	5,162	6,175	(1,012)
23	684	Insurance	21,229	22,944	(1,715)
24	688	Regulatory commission expense	1,176	944	232
25	689	General expenses	3,679	3,791	(112)
26		Total administrative and general expenses	135,355	116,050	19,305
27	800	Expenses capitalized			
28		Net administrative and general expense	135,355	116,050	19,305
29		Total operating expenses	312,062	249,930	62,133

SCHEDULE B-3
Account No. 408, 409, 410 - Taxes Charged During the Year

Line No.	Type of Tax (a)	Total Taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	1,889	1,889	
2	State corporate franchise tax	800	800	
3	State unemployment insurance tax	1,336	1,336	
4	Other state and local taxes	35	35	
5	Federal unemployment insurance tax	281	281	
6	Federal insurance contributions act	12,657	12,657	
7	Other federal taxes			
8	Federal income taxes			
9				
10				
11	Totals	16,999	16,999	

SCHEDULE B-4
Reconciliation of Reported Net Income for Federal Income 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 income 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 4	77,284
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5	Federal vs. Book depreciation adjustment	(3,127)
6	Accrued interest on shareholder loan at 12/31/06	7,595
7	50% meals – nondeductible	240
8	Loss on disposal of asset	(3,462)
9		
10	Federal tax net income	78,530
11	Computation of tax:	
12	No tax is due because this income is offset by net operating losses carried forward to 2006	
13		
14		
15		
16		
17		

SCHEDULE B-5
Account No. 421 and 426 - Income from Nonutility Operations

Line No.	Description (a)	Revenues Acct. 421 (b)	Expenses Acct. 426 (c)
1	none		
2			
3			
4			
5	Total		

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	Interest on shareholder loan	7,595
2	Interest on short term notes	151
3	Interest on long term debt	1,200
4		
5		
6		
7		
8		
9		
10	Total	8,946

SCHEDULE C-1
Compensation of Individual Proprietor, Partners and Employees Included in Expenses

Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Charged to Expense (c)	Salaries Charged to Plant Accounts (d)	Total Salaries and Wages Paid (e)
1	630	Employee Labor	3	88,720		88,720
2	670	Office salaries	1	4,802		4,802
3	671	Management salaries	1	64,928		64,928
4						
5						
6		Total	5	158,450		158,450

**SCHEDULE C-2
Loans to Directors, Officers, or Shareholders**

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (e)	Security Given (f)	Date of Shareholder Authorization (g)	Other Information (h)
1	None							
2								
3								
4								
5								
6								
7	Total							

**SCHEDULE C-3
Engineering and Management Fees and Expenses, Etc., During Year**

Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.	
1	1. Did the respondent have a contract or other agreement with any organization or person covering supervision	
2	and/or management of its own affairs during the year? Answer: (Yes or No) No	
3	(If the answer is in the affirmative, make appropriate replies to the following questions)*	
4	2. Name of each organization or person that was a party to such a contract or agreement.	
5	N/A	
6	3. Date of original contract or agreement. N/A	
7	4. Date of each supplement or agreement. N/A	
8	5. Amount of compensation paid during the year for supervision or management \$	\$64,928
9	6. To whom paid	Tim Bean
10	7. Nature of payment (salary, traveling expenses, etc.).	salary
11	8. Amounts paid for each class of service.	
12		
13	9. Basis for determination of such amounts	Monthly salary
14		
15	10. Distribution of payments: Amount	
16	(a) Charged to operating expenses	\$
17	(b) Charged to capital amounts	\$64,928
18	(c) Charged to other account	\$
19	Total	\$64,928
20	11. Distribution of charges to operating expenses by primary accounts	
21	Number and Title of Account	Amount
22	671 Management salaries	\$64,928
23		\$
24		\$
25	Total	\$64,928
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns? N/A	
27		
* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.		

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

STREAMS					FLOW IN (Unit) 2		Annual Quantities Diverted(Unit) 2	Remarks
Line No.	Diverted Into *	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions		
				Claim	Capacity	Max.	Min.	
1								
2								
3								
4								
5								
WELLS						Pumping Capacity (Unit) 2	Annual Quantities Pumped(Unit) 2	Remarks
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water			
6	#1	Lake bottom	1		normally	250 gpm	(see	
7	#2	Lake bottom	1		covered	200 gpm	purchased	
8	#3	Lake bottom	1		by	300 gpm	water,	
9	Gallery well (#4 & #5)	Lake bottom	2		lake	920 gpm	below)	
10								
TUNNELS AND SPRINGS				FLOW IN (Unit) 2		Annual Quantities Pumped(Unit) 2	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum			
11								
12								
13								
14								
15								
Purchased Water for Resale								
16	Purchased from Monterey County Water Resources Agency							
17	Annual Quantities purchased					(Unit chosen) 1		
18	119.46					acre-feet		
19								
* State ditch pipeline reservoir, etc., with name, if any. 1 Average depth to water surface below ground surface 2 The quantity unit in established use for experiencing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second. In gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.								

**SCHEDULE D-2
Description of Storage Facilities**

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs			
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete	1	617,000 gallons	
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal			
12	Concrete	1	84,000 gallons	
13	Totals	2	701,000 gallons	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINKED 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								
3	Lined conduit								
4									
5	Totals								

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded

Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____

Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lines 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	Cast Iron									
12	Cast iron (cement lined)									200
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos						760		19810	12680
19	Welded steel					400	1000			
20	Wood									
21	Other (specify)									
22	Totals					400	1760		19810	12880

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

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)		Total All Sizes
23	Cast Iron									
24	Cast iron (cement lined)									200
25	Concrete									
26	Copper									
27	Riveted steel									
28	Standard screw									
29	Screw or welded casing									
30	Cement - asbestos	8460		6220						47930
31	Welded steel									1400
32	Wood									
33	Other (specify)									
34	Totals	8460		6220						49530

**SCHEDULE D-4
Number of Active Service Connections**

Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior	Current	Prior	Current
	Year	Year	Year	Year
Single family residential		600	619	
Commercial and Multi-residential				
Large water users		3	3	
Public authorities				
Irrigation				
Other (specify) Sewer plant		1	1	
Comunnity landscaping, etc.		1	1	
Subtotal				
Private fire connections			73	73
Public fire hydrants				
Total		606	624	73

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

Size	Meters	Services
5/8 x 3/4 - in	117	xxxxxxxxxxxxxxxx
3/4 - in	502	
1 - in	2	
1-1/2- in	3	
- in		
- in		
- in		
- in		
Other		
Total	624	

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:		
1. New, after being received		0
2. Used, before repair		2
3. Used, after repair		2
4. Found fast, requiring billing adjustment		0
B. Number of Meters in Service Since Last Test		
1. Ten years or less		approx. 270
2. More than 10, but less than 15 years		approx. 220
3. More than 15 years		approx. 130

**SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in CCF**

Classification of Service	During Current Year							Subtotal
	January	February	March	April	May	June	July	
Single-family residential	11,237			4,980			8,557	
Commercial and Multi-residential								
Large water users	253			102			186	
Public authorities								
Irrigation								
Other (specify): Construction w. Comunnity landscaping, etc.	610			4				
Total	12,102			5,086			8,743	

Classification of Service	During Current Year						Subtotal	Total Prior Year
	August	September	October	November	December	Total		
Single-family residential			16,913				41,687	46,075
Commercial and Multi-residential								
Large water users			268				809	1,257
Public authorities								
Irrigation								
Other (specify): Construction w. Comunnity landscaping, etc.			1,078				1,688	
Total			18,259				44,190	47,934

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

Total acres irrigated _____

Total population served 619 residences__

2006 BOOK DEPRECIATION SCHEDULE

94-1736776

NACIMIENTO WATER COMPANY

CLIENT 1122100

02:06PM

3/30/07

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	CUR 179 BONUS PCT	BUS. PCT	CUR 179 BONUS ALLOW.	SPECIAL DEPR.	PRIOR 179 BONUS/SE DEPR.	PRIOR DEC. BAL. DEPR.	SALVAGE BASIS	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
FORM 1120																
AMORTIZATION																
58	WATER CONTRACTS-PRE-'85	7/01/83				56,024				66,024	66,024	29,563	S/L	50		1,320
TOTAL AMORTIZATION																
				0	0	66,024	0	0	0	66,024	66,024	29,563				1,320
AUTO / TRANSPORT EQUIPMENT																
35	1998 CHEVY	12/14/97	6/30/06			25,197				25,197	25,197	20,370	S/L	10		1,260
41	UTILITY TRUCK	11/14/01				26,982				26,982	26,982	22,483	S/L	5		4,499
67	2005 GMC SIERRA 1500	8/01/05				32,060				32,060	32,060	2,672	S/L	5		6,412
85	RETIRED VEHICLE	6/30/06				1				1	1	-3,567	S/L	5		0
TOTAL AUTO / TRANSPORT EQUIP																
				0	0	84,240	0	0	0	84,240	84,240	41,958				12,171
FURNITURE AND FIXTURES																
9	OFFICE EQUIP	7/01/87				462				462	462	462	S/L	10		0
18	COPIER	10/25/91				638				638	638	638	S/L	7		0
25	PHONE/FAX	5/18/93				524				524	524	524	S/L	7		0
26	ELECTRONICS/SCANR	3/22/94				544				544	544	544	S/L	10		0
30	HP 560C PRINTER & MAC SOF	1/16/95				541				541	541	541	S/L	10		0
39	COPIER	8/07/99				268				268	268	84	S/L	20		13
53	COMPUTER	10/30/02				905				905	905	573	S/L	5		181
54	2 DESKS	10/30/02				858				858	858	389	S/L	7		123
TOTAL FURNITURE AND FIXTURE																
				0	0	4,740	0	0	0	4,740	4,740	3,755				317

12/31/06

2006 BOOK DEPRECIATION SCHEDULE

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CLIENT 1122100

NACIMIENTO WATER COMPANY

94-1736776

3/30/07

02:06PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	CUR 179 BONUS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179 BONUS / SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAGE BASIS / REDUCT.	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
IMPROVEMENTS																
4	WATER PLANT	7/01/83		82,409							82,409	37,741	S/L	50		1,648
5	WATER PLANT	7/01/84		36,149							36,149	15,369	S/L	50		723
6	WATER PLANT	7/01/85		4,084							4,084	1,982	S/L	50		82
7	WATER PLANT	7/01/86		66,154							66,154	25,015	S/L	50		1,323
8	WATER PLANT	7/01/87		2,362							2,362	868	S/L	50		47
10	WATER PLANT	7/01/88		17,842							17,842	6,069	S/L	50		357
13	WATER PLANT	7/01/89		37,937							37,937	30,731	S/L	20		1,897
37	TANK ROOF	8/17/98		11,080							11,080	1,628	S/L	50		222
42	TANK ROOF	6/01/01		5,032							5,032	463	S/L	50		101
51	IMPROVEMENTS - DRYING BED	11/19/02		2,576							2,576	265	S/L	30		86
TOTAL IMPROVEMENTS																
				265,625	0	0	0	0	0	0	265,625	119,731				6,486
LAND																
62	LAND RIGHTS	12/31/04		16,582							16,582					0
68	SOURCE WATER PROTECT COST	12/31/05		13,181							13,181					0
84	SOURCE WATER PROTECT COST	12/31/06		6,500							6,500					0
TOTAL LAND																
				36,273	0	0	0	0	0	0	36,273	0				0
MACHINERY AND EQUIPMENT																
1	EQUIPMENT	7/01/72		13,780							13,780	13,780	S/L	5		0
2	EQUIPMENT	7/01/73		2,974							2,974	2,974	S/L	5		0
3	EQUIPMENT	7/01/74		459							459	459	S/L	5		0
11	15 HP PUMP	1/31/89		2,867							2,867	2,867	S/L	7		0
12	10 HP PUMP	12/31/89		2,425							2,425	2,425	S/L	7		0

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2006 BOOK DEPRECIATION SCHEDULE

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CLIENT 1122100

NACIMIENTO WATER COMPANY

94-1736776

3/30/07

02:08PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST BASIS	BUS. PCT.	CUR. 176 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 176 BONUS/SP. DEPR.	PRIOR DEC. BAL. DEPR.	SALVAGE BASIS/REMNANT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
14	NEW METERS	7/01/89		1,569							1,569	1,248	S/L	20		78
15	METERS	12/31/90		2,531							2,531	1,905	S/L	20		127
16	NEW PUMPS	9/28/90		4,244							4,244	4,244	S/L	20		0
17	METERS	2/03/91		709							709	522	S/L	20		35
19	SENSU METER	12/26/92		750							750	494	S/L	20		38
20	FILTER SAND	4/08/92		414							414	289	S/L	20		21
21	LORRES OZONE SPECTROMETER	12/26/92		5,795							5,795	5,795	S/L	10		0
22	QUESTAR H.T. RADIO	4/23/92		873							873	873	S/L	7		0
23	POCO PUMPS/FILTER PUMP	11/17/93		626							626	377	S/L	20		31
24	SENSUS TECHNOLOGY 12 METE	2/08/93		752							752	480	S/L	20		38
27	7.5HP PUMP WELL #3	1/15/95		948							948	517	S/L	20		47
28	FILTER SAND REPLACEMENT	2/14/95		93							93	54	S/L	20		5
29	MAXON HANDHELD RADIO	8/11/95		380							380	380	S/L	10		0
31	METERS-6-3/4"	6/17/96		414							414	199	S/L	20		21
32	METERS-18-3/4"	11/11/96		1,278							1,278	587	S/L	20		64
33	FILTER SAND (1992)	12/12/96		3,776							3,776	2,598	S/L	20		189
34	NEW PUMPS WELLS 1.2-2(92)	12/12/96		2,135							2,135	2,135	S/L	7		0
36	PUMPING	3/14/97		3,603							3,603	3,603	S/L	7		0
38	18 3/4" METERS	4/28/98		1,435							1,435	552	S/L	20		72
40	RADIO EQUIPMENT	8/11/00		1,435							1,435	780	S/L	10		144
49	PUMPING EQUIPMENT	10/03/02		605							605	88	S/L	20		30
50	2100N TURBIDIMETER	8/05/02		1,871							1,871	321	S/L	20		94
52	METERS	5/31/02		893							893	161	S/L	20		45
55	PUMPING EQUIPMENT	12/19/03		823							823	82	S/L	20		41
56	FLOW TRANSMITTER	4/09/03		332							332	46	S/L	20		17
57	METERS	4/22/03		841							841	2,121	S/L	20		0
59	12 3/4" METER	3/24/04		889							889	77	S/L	20		44

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/BASIS	RUS PCT.	CUR 179 BONUS	SPECIAL DEPR ALLOW	PRIOR 179 BONUS/SP DEPR	PRIOR DEC BAL DEPR	SALVAGE/BASIS/REDUCT	DEPR BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
66	12 3/4" METERS	7/05/05		889							869		S/L	20		43
69	18 3/4" METERS	1/19/06		1,323							1,323		S/L	20		61
70	12 3/4" METERS	10/27/06		963							963		S/L	20		8
TOTAL MACHINERY AND EQUIPME																
				65,704	0	0	0	0	0	0	65,704	53,065				1,293
MISCELLANEOUS																
43	CIAC - WATER PLANT	1/01/72		665,447							665,447	435,933	S/L	50		13,309
44	CIAC - WATER PLANT	1/01/73		74,321							74,321	48,486	S/L	50		1,486
45	CIAC - WATER PLANT	1/01/74		216,520							216,520	136,395	S/L	50		4,330
46	CIAC - WATER PLANT	2/01/89		878,882							878,882	121,581	S/L	50		17,578
47	CIAC - WATER PLANT	6/01/00		280,606							280,606	31,334	S/L	50		5,612
48	CIAC - WATER PLANT	12/31/01		10,540							10,540	844	S/L	50		211
60	CIAC - WATER PLANT	12/01/04		89,928							89,928	1,949	S/L	50		1,799
61	CIAC - LAND	1/01/72		15,000							15,000		S/L	50		0
63	CIAC - CHEMICAL RM IMPROV	7/11/05		2,682							2,682	27	S/L	50		54
64	CIAC - OXYGEN GENERATOR	7/30/05		690							690	6	S/L	50		14
65	CIAC - 3-1500G CHEM TANKS	11/14/05		3,050							3,050	10	S/L	50		61
71	CIAC - CHEM RM IMPRIMTS	3/11/06		999							999		S/L	50		17
72	CIAC - FENCING	5/05/06		2,181							2,181		S/L	50		29
73	CIAC - ZOELLER SUMP PUMP	5/01/06		203							203		S/L	20		7
74	CIAC - PUMPING EQUIPMENT	6/10/06		1,000							1,000		S/L	20		29
75	CIAC - GAS POWERED PUMP	12/22/06		535							535		S/L	20		0
76	CIAC - HACH 1720C TURBIDI	1/01/06		220							220		S/L	20		11
77	CIAC - WATER TREATMENT EQ	2/03/06		105							105		S/L	20		5
78	CIAC - FILTER & VALVES	4/30/06		604							604		S/L	20		20
79	CIAC - FLASH MIXER MOTOR	6/02/06		55							55		S/L	20		2

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAGE /BASIS REDUCT.	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
80	CIAC - PH METER W/ELECTRO	8/04/06		80							80		S/L	20		2
81	CIAC - 5HP AIR COMPRESSOR	10/27/06		350							350		S/L	20		3
82	CIAC - 10 HP AIR COMP & V	11/29/06		513							513		S/L	20		2
83	CIAC - COMPUTER & PRINTER	5/05/06		461							461		S/L	5		61
TOTAL MISCELLANEOUS				2,244,992		0	0	0	0	0	2,244,992	776,565				44,642
TOTAL DEPRECIATION				2,701,574		0	0	0	0	0	2,701,574	995,074				64,909
GRAND TOTAL AMORTIZATION				66,024		0	0	0	0	0	66,024	29,563				1,320
GRAND TOTAL DEPRECIATION				2,701,574		0	0	0	0	0	2,701,574	995,074				64,909
DEPRECIATION ASSETS SOLD				25,197		0	0	0	0	0	25,197	20,370				1,260
DEPR REMAINING ASSETS				2,676,377		0	0	0	0	0	2,676,377	974,704				63,649

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