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CLASS B and C
WATER UTILITIES

U# _____

2001
ANNUAL REPORT
OF

RURAL WATER COMPANY

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

P.O. BOX 745

GROVER BEACH, CA 93483

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2001

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2002
(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
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, not by a public accountant.
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 Janauary 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.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2001

NAME OF UTILITY RURAL WATER COMPANY

PHONE 805-481-6686

PERSON RESPONSIBLE FOR THIS REPORT _____

CHARLES M. BAKER

(Prepared from Information in the 2001 Annual Report)

	1/1/01	12/31/01	Average
BALANCE SHEET DATA			
1 Intangible Plant	1,600	1,600	1,600
2 Land and Land Rights	3,000	3,000	3,000
3 Depreciable Plant	3,851,891	3,986,165	3,919,028
4 Gross Plant in Service	3,856,491	3,990,765	3,923,628
5 Less: Accumulated Depreciation	(748,945)	(869,322)	(809,134)
6 Net Water Plant in Service	3,107,546	3,121,443	3,114,495
7 Water Plant Held for Future Use			-
8 Construction Work in Progress	-	18,228	9,114
9 Materials and Supplies			-
10 Less: Advances for Construction	(23,259)	(38,859)	(31,059)
11 Less: Contribution in Aid of Construction	(2,930,515)	(2,878,150)	(2,904,333)
12 Less: Accumulated Deferred Income and Investment Tax Cred ()	()	()	-
13 Net Plant Investment	153,772	222,662	188,217
CAPITALIZATION			
14 Common Stock	5,000	5,000	5,000
15 Proprietary Capital (Individual or Partnership)			-
16 Paid-in Capital	186,276	186,276	186,276
17 Retained Earnings	(74,461)	(112,814)	(93,638)
18 Common Stock and Equity (Lines 14 through 17)	116,815	78,462	97,639
19 Preferred Stock	-	-	-
20 Long-Term Debt	-	-	-
21 Notes Payable	-	130,000	65,000
22 Total Capitalization (Lines 18 through 21)	116,815	208,462	162,639

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2001

NAME OF UTILITY RURAL WATER COMPANY

PHONE 805-481-6686

	Annual Amount
INCOME STATEMENT	
23 Unmetered Water Revenue	-
24 Fire Protection Revenue	-
25 Irrigation Revenue	-
26 Metered Water Revenue	422,271
27 Total Operating Revenue	422,271
28 <u>Operating Expenses</u>	441,837
29 Depreciation Expense (Composite Rate 3%)	11,819
30 Amortization and Property Losses	
31 Property Taxes	1,783
32 Taxes Other Than Income Taxes	7,557
33 Total Operating Revenue Deduction Before Taxes	462,996
34 California Corp. Franchise Tax	800
35 Federal Corporate Income Tax	
36 Total Operating Revenue Deduction After Taxes	463,796
37 Net Operating Income (Loss) - California Water Operations	(41,525)
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	3,172
39 Income Available for Fixed Charges	(38,353)
40 Interest Expense	-
41 Net Income (Loss) Before Dividends	(38,353)
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	(38,353)
 OTHER DATA	
44 Refunds of Advances for Construction	-
45 Total Payroll Charged to Operating Expenses	96,000
46 Purchased Water	-
47 Power	108,270

<u>Active Service Connections</u>	(Exc. Fire Protect.)	141	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections			486	620	553
49 Flat Rate Service Connections			-	-	-
50 Total Active Service Connections			486	620	553

**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: N/A

Name: _____
Address: _____
Phone Number: _____
Date Hired: _____

2. Former Fiscal Agent: N/A

Name: _____
Address: _____
Phone Number: _____
Date Hired: _____

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

\$ _____

4. 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	_____

5. Account information:

Bank Name: _____
Account Number: _____
Date Opened: _____

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

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: Rural Water Company

2 Official mailing address: P.O. Box 745
Grover Beach, CA ZIP 93483

3 Name and title of person to whom correspondence should be addressed: Charles M. Baker
Telephone: (805)481-6686

4 Address where accounting records are maintained: 115 1/2 E. Branch St
Arroyo Grande, CA 93420

5 Service Area: (Refer to district reports if applicable.) Arroyo Grande, CA
San Luis Obispo County

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

Name: N/A

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) Rural Water Company
Organized under laws of (state) California

Principal Officers:

(Name) Charles M. Baker (Title) President, Sec'y, Treas.

(Name) Kathleen M. Baker (Title) Vice President

(Name) (Title)

(Name) (Title)

8 Names of associated companies: N/A

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: N/A

Date:

Date:

Date:

Date:

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

**SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and other Debits**

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		UTILITY PLANT			
2	101	Water plant in service	4	3,990,765	3,856,491
3	103	Water plant held for future use	5		
4	104	Water plant purchased or sold			
5	105	Water plant construction work in progress		18,228	
6		Total utility plant		4,008,993	3,856,491
7	106	Accumulated depreciation of water plant	6	(869,322)	(748,945)
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments		(869,322)	(748,945)
10		Net utility plant		3,139,671	3,107,546
11		INVESTMENTS			
12	121	Non-utility property and other assets	5		
13	122	Accumulated depreciation of non-utility property	6		
14		Net non-utility property			
15	123	Investments in associated companies			
16	124	Other investments			
17		Total investments			
18		CURRENT AND ACCRUED ASSETS			
19	131	Cash		19,859	7,062
20	132	Special accounts			
21	141	Accounts receivable - customers		8,701	3,499
22	142	Receivables from associated companies			
23	143	Accumulated provision for uncollectible accounts			
24	151	Materials and supplies			
25	174	Other current assets	7		
26		Total current and accrued assets		28,560	10,561
27	180	Deferred charges (undisbursed loan proceeds)			
28		Total assets and deferred charges		3,168,231	3,118,107

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		CORPORATE CAPITAL AND SURPLUS			
2	201	Common stock	9	5,000	5,000
3	204	Preferred stock	9		
4	211	Other paid-in capital	9	186,276	186,276
5	215	Retained earnings	10	(112,814)	(74,461)
6		Total corporate capital and retained earnings		78,462	116,815
7		PROPRIETARY CAPITAL			
8	218	Proprietary capital	10		
9	218.1	Proprietary drawings			
10		Total proprietary capital			
11		LONG TERM DEBT			
12	224	Long term debt	11	-	-
13	225	Advances from associated companies	12		
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		15,407	4,637
16	232	Short term notes payable			
17	233	Customer deposits		646	700
18	235	Payables to associated companies	12		
19	236	Accrued taxes		5,463	4,487
20	237	Accrued interest			
21	241	Other current liabilities	13	144,400	30,850
22		Total current and accrued liabilities		165,916	40,674
23		DEFERRED CREDITS			
24	252	Advances for construction	13	38,859	23,259
25	253	Other credits	8	6,844	6,844
26	255	Accumulated deferred investment tax credits	13		
27	282	Accumulated deferred income taxes - ACRS depreciation	13		
28	283	Accumulated deferred income taxes - other	13		
29		Total deferred credits		45,703	30,103
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	14	3,587,124	3,530,931
32	272	Accumulated amortization of contributions		(708,974)	(600,416)
33		Net contributions in aid of construction		2,878,150	2,930,515
34		Total liabilities and other credits		3,168,231	3,118,107

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water plant in service	3,856,491	134,274			3,990,765
2	103	Water plant held for future use					-
3	104	Water plant purchased or sold					-
4	105	Construction work in progress - water plant		18,228	XXXXXXXXXXXX		18,228
5	114	Water plant acquisition adjustments			XXXXXXXXXXXX		-
6		Total utility plant	3,856,491	152,502			4,008,993

* 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)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant	1,600				1,600
3	303	Land	3,000				3,000
4		Total non-depreciable plant	4,600				4,600
5		DEPRECIABLE PLANT					
6	304	Structures	77,751				77,751
7	307	Wells	513,259	-			513,259
8	317	Other water source plant	-				-
9	311	Pumping equipment	533,149	10,561			543,710
10	320	Water treatment plant	34,920				34,920
11	330	Reservoirs, tanks and sandpipes	404,210	-			404,210
12	331	Water mains	1,694,544	91,602			1,786,146
13	333	Services and meter installations	197,516	5,200			202,716
14	334	Meters	65,345	14,911			80,256
15	335	Hydrants	290,496	12,000			302,496
16	339	Other equipment	30,050				30,050
17	340	Office furniture and equipment	10,651				10,651
18	341	Transportation equipment	-	-			-
19		Total depreciable plant	3,851,891	134,274			3,986,165
20		Total water plant in service	3,856,491	134,274			3,990,765

* 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				
2	N/A			
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		
2	N/A	
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	748,945		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	11,819		
4	(b) Charged to Account No 272	108,558		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits	120,377		
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			
12	(c) All other debits (Footnote 3)			
13	Total debits	-		
14	Balance in reserve at end of year	869,322		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			%
16	Composite rate of 3% per year			
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	741,048	119,496		860,544	
6	330	Reservoirs, tanks and sandpipes					
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	7,897	881		8,778	
13	341	Transportation equipment	-	-		-	
14		Total	748,945	120,377		869,322	

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

Line No.	Item (a)	Amount (b)
1		
2		
3	N/A	
4		
5		
6		
7		
8		
9		
10		

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	5/14/82		\$10	500	5,000		
2								
3								
4								
5								
6							Total	

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number of Shares (b)	PREFERRED STOCK	Number of Shares (d)
	Name (a)		Name (c)	
1	Charles M. Baker	500		
2				
3				
4				
5				
6				
7	Total number of shares	500	Total number of shares	

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	186,276
2		
3		
4	Total	186,276

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	(74,461)
2	CREDITS	
3	Net income	
4	Prior period adjustments	
5	Other credits (detail)	
6	Total credits	
7		
8	DEBITS	
9	Net losses	(38,353)
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	
14	Total debits	(38,353)
15	Balance end of year	(112,814)

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

N/A

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-12

Account No. 225 - Advances from Associated Companies

N/A

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3					
4	Totals				

Schedule A-13

Account No. 235 - Payables to Associated Companies

N/A

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					
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	130,000
2	Retirement plan payable	14,400
3		
4		
5	Totals	144,400

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXXXXXX	23,259
2	Additions during year	XXXXXXXXXXXXXXXXXX	15,600
3	Subtotal - Beginning balance plus additons during year	XXXXXXXXXXXXXXXXXX	38,859
4	Charges during year:	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXXXXXX	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	38,859

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

N/A

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 (e)	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	3,530,931	3,530,931			
2	Add: Credits to account during year	-	-			
3	Contributions received during year	56,193	56,193			
4	Other credits*					
5	Total credits	56,193	56,193			
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	3,587,124	3,587,124			

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

SCHEDULE B INCOME STATEMENT

Line No.	Acct. No.	Account (a)	Schedule Page No. (b)	Amount (c)
1		UTILITY OPERATING INCOME		
2	400	Operating revenues	16	422,271
3		OPERATING REVENUE DEDUCTIONS		
4	401	Operating expenses	17	441,837
5	403	Depreciation expense		11,819
6	407	SDWBA loan amortization expense		
7	408	Taxes other than income taxes		9,340
8	409	State corporate income tax expense	18	800
9	410	Federal corporate income tax expense	18	-
10		Total operating revenue deductions		463,796
11		Total utility operating income		(41,525)
12		OTHER INCOME AND DEDUCTIONS		
13	421	Non-utility income	19	3,172
14	426	Miscellaneous non-utility expense	19	
15	427	Interest expense	19	-
16		Total other income and deductions		3,172
17		Net income		(38,353)

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding 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			
12		Sub-total	-	-	-
13	465	Irrigation revenue			
14	470	Metered water revenue			
15		470.1 Single-family residential	399,504	393,987	5,517
16		470.2 Commercial and multi-residential	21,655	-	
17		470.3 Large water users			
18		470.5 Safe Drinking Water Bond Surcharge			
19		470.9 Other metered revenue	1,112	3,244	
20		Sub-total	422,271	397,231	25,040
21		Total water service revenues	422,271	397,231	25,040
22	480	Other water revenue			-
23		Total operating revenues	422,271	397,231	25,040

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding 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	-	-	-
4	615	Power	108,270	71,082	37,188
5	616	Other volume related expenses	945	1,232	(287)
6		Total volume related expenses	109,215	72,314	36,901
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee labor	-	-	-
9	640	Materials	-	5,028	(5,028)
10	650	Contract work	71,917	48,646	23,271
11	660	Transportation expenses	4,975	3,395	1,580
12	664	Other plant maintenance expenses	20,161	12,219	7,942
13		Total non-volume related expenses	97,053	69,288	27,765
14		Total plant operation and maintenance exp.	206,268	141,602	64,666
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	24,000	24,000	-
17	671	Management salaries	72,000	115,000	(43,000)
18	674	Employee pensions and benefits	69,209	26,969	42,240
19	676	Uncollectible accounts expense			-
20	678	Office services and rentals	11,751	10,279	1,472
21	681	Office supplies and expenses	-	-	-
22	682	Professional services	50,198	40,893	9,305
23	684	Insurance	3,729	3,000	729
24	688	Regulatory commission expense	539	4,997	(4,458)
25	689	General expenses	4,143	4,899	(756)
26		Total administrative and general expenses	235,569	230,037	5,532
27	800	Expenses capitalized			
28		Net administrative and general expense	235,569	230,037	5,532
29		Total operating expenses	441,837	371,639	70,198

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	1,783	1,783	
2	State corporate franchise tax	800	800	
3	State unemployment insurance tax	112	112	
4	Other state and local taxes	20	20	
5	Federal unemployment insurance tax	112	112	
6	Federal insurance contributions act	7,313	7,313	
7	Other federal taxes			
8	Federal income taxes			
9				
10				
11	Totals	10,140	10,140	

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 _____. N/A

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	(38,353)
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
5	Employee health and welfare expense separately stated on pass-thru entity	54,809
6	Travel and entertainment	352
7	Federal vs. Book depreciation adjustment	(44,534)
8	Interest income separately state on pass-thru entity	(117)
9		
10	Federal tax net income	(27,843)
11	Computation of tax:	
12	N/A - Subchapter S corporate earnings taxed at shareholder level.	
13		
14		
15		
16		
17		

SCHEDULE B-5

Account No. 421 and 426 - Income from Nonutility Operations

N/A

Line No.	Description (a)	Revenues Acct. 421 (b)	Expenses Acct. 426 (c)
1			
2			
3			
4			
5	Total		

SCHEDULE B-6

Account No. 427 - Interest Expense

N/A

Line No.	Description (a)	Amount (b)
1		-
2		-
3		-
4		
5		
6		
7		
8		
9		
10	Total	-

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	0	-		-
2	670	Office salaries	1	24,000		24,000
3	671	Management salaries	1	72,000		72,000
4						
5						
6		Total	2	96,000		96,000

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

N/A

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								
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) Yes		
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	See attached		
6	3. Date of original contract or agreement.	See attached	
7	4. Date of each supplement or agreement.	See attached	
8	5. Amount of compensation paid during the year for supervision or management	\$	72,000
9	6. To whom paid	Charles M. Baker	\$ 72,000
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		72,000
17	(b) Charged to capital amounts		
18	(c) Charged to other account		
19	Total		72,000
20	11. Distribution of charges to operating expenses by primary accounts		
21	Number and Title of Account		Amount
22	671 - Management salaries		72,000
23			
24			
25	Total		72,000
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?		
27	Management salary paid to sole-shareholder and officer of Rural Water Company		
* 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

N/A

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	El Campo Road		2	8	250	100 GPM	29.88	MG
7	Fowler Lane		3	8	120	270 GPM	3.09	MG
8	El Campo Road		4	8	240	120 GPM	23.06	MG
9	El Campo Road		5	8	220	80 GPM	0	
10	See attached schedule							

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	N/A
17	Annual Quantities purchased	(Unit chosen) 1
18		
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			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal	5	1182000 G	
12	Concrete			
13	Totals	5	1182000 G	

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)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos						972		7324	12350
19	Welded steel									
20	Wood									
21	Other (specify) P.V.C.			350			250		3260	83720
22	Totals			350		0	1222		10584	96070

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									0
24	Cast iron (cement lined)									0
25	Concrete									0
26	Copper									0
27	Riveted steel									0
28	Standard screw									0
29	Screw or welded casing									0
30	Cement - asbestos									20846
31	Welded steel									0
32	Wood									0
33	Other (specify) P.V.C.									87580
34	Totals	0								108226

SCHEDULE D-4
Number of Active Service Connections

Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
	Single family residential	471	599	
Commercial and Multi-residential		7		
Large water users				
Public authorities		4		
Irrigation				
Other (specify) Community	0	0		
Landscaping	15	10		
Subtotal	486	620		
Private fire connections				
Public fire hydrants			139	141
Total	486	620	139	141

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

Size	Meters	Services
5/8 x 3/4 - in	169	xxxxxxxxxxxxxx
3/4 - in	424	
1 - in	13	
1 1/2 - in	2	
2 - in	12	
- in		
- in		
- in		
Other		
Hydrants		
Total	620	0

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	0	
3. Used, after repair	0	
4. Found fast, requiring billing adjustment		
B. Number of Meters in Service Since Last Test		
1. Ten years or less	425	Est.
2. More than 10, but less than 15 years	135	Est.
3. More than 15 years	60	Est.

SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in Hundreds of Cubic Feet (Unit Chosen):

Classification of Service	During Current Year								Subtotal
	January	February	March	April	May	June	July		
Single-family residential	Information unavailable by month								-
Commercial and Multi-residential	523	890	883	1,000	1,058	939	1,107	6,400	
Large water users									
Public authorities	191	311	486	616	648	540	556	3,348	
Irrigation									
Other (specify) Homeowner Assoc.	108	1,066	1,043	1,362	1,351	1,198	1,433	7,561	
Total	822	2,267	2,412	2,978	3,057	2,677	3,096	17,309	
Classification of Service	During Current Year							Total Prior Year	
	August	September	October	November	December	Subtotal	Total		
Single-family residential	Information unavailable by month								
Commercial and Multi-residential	726	712	505	434	795	3,172	9,572		
Large water users									
Public authorities	403	211	127	219	355	1,315	4,663		
Irrigation									
Other (specify) Homeowner Assoc.	869	502	76	695	1,613	3,755	11,316		
Total	1,998	1,425	76	1,348	204,295	209,774	227,083		

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

Total acres irrigated 0

Total population served 1324 residences

**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: <u>Oct. 1999</u>	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?N/A	7 If so, on what date?

**SCHEDULE D-9
Statement of Material Financial Interest**

Use this space to report the information required by Section 2 of General Order No. 104-A. If no material financial interest existed during the year or contemplated at the end of the year, such fact shall be so stated. If additional space is required, attach a supplementary statement with reference made thereto.

No material financial interest existed during the year or was contemplated at the end of the year.

DECLARATION
Before Signing, Please Check to See That All Schedules Have Been Completed
(See Instruction 3 on front cover)

I, the undersigned Charles M. Baker
Officer, Partner or Owner
of Rural Water Company
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period from and including January 1, 2001

to and including December 31, 2001.
(date)

SIGNED Charles M. Baker
Title PRESIDENT
Date MAY 7, 2002

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SCHEDULE C-3 - ENGINEERING AND MANAGEMENT FEES AND EXPENSES (continued)
 CONTRACTS IN EFFECT DURING THE YEAR

Payee	Nature of payments	Amount	Account Charged
Creek Environmental	Testing/analysis	11,170	664
Certified Water Systems	Service & repair	32,762	650
John L. Wallace & Assoc.	Plant maintenance	11,970	650
Alltech Systems	Pumpstation maintenance	1,609	650
Arroyo Water Well Supply	Pump Replacement	9,823	650
R. Baker, Inc.	Repairs	3,289	650
Multi-Task Business Services	Bookkeeping services	13,200	682
Hatch & Parent	Legal services	31,013	682

SCHEDULE D-1 WELLS (continued)

Location	No.	Diam. Inch	Depth to water feet	Pumping Capacity (g.p.m.)	Annual quantities pumped
El Campo Road	6	8	250	82	23.42
El Campo Road	7	8	250	120	31.23
Mesa View Dr.	8	12	235	310	4.71
Cypress Ridge	4	10	273	105	6.73
Cypress Ridge	5	8	285	52	2.57
Cypress Ridge	7	8	228	73	2.22
Cypress Ridge	6	8	-	-	inactive
Cypress Ridge	8	8	-	-	inactive

4/24/2002
15:48

RURAL WATER COMPANY
Federal ID #:
Asset Summary - Book Basis
Period Ended 12/31/01

Company: 258
Page: 1

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add 30%	Prior Depr.	Current Depr.	Ending Depr.
-----	-----	----------------------	----------	---	--------	------	------------	-------------	---------	-------------	---------------	--------------

Group # 1 NON-C.I.A.C.-WATER PLANT

1	1	WATER PLANT	12/31/87	R	SL	33	188,121.00	0.00	0.00	108,043.00	5,701.00	113,744.00
2	1	WATER PLANT	07/01/89	R	SL	33	23,163.00	0.00	0.00	8,424.00	702.00	9,126.00
3	1	WATER PLANT	10/01/89	R	SL	33	16,501.00	0.00	0.00	5,625.00	500.00	6,125.00
4	1	NEW METER ENGINE	01/10/90	N	SL	33	1,200.00	0.00	0.00	396.00	36.00	432.00
5	1	NEW METERS	06/21/90	R	SL	33	3,128.00	0.00	0.00	997.00	95.00	1,092.00
6	1	SERVICES & METERS	07/21/90	R	SL	33	1,000.00	0.00	0.00	313.00	30.00	343.00
7	1	NEW METERS	07/19/90	R	SL	33	673.00	0.00	0.00	208.00	20.00	228.00
8	1	NEW METERS	11/18/91	R	SL	33	4,506.00	0.00	0.00	1,244.00	137.00	1,381.00
9	1	NEW METERS	06/21/85	R	ACRS	5	0.00	0.00	0.00	0.00	0.00	0.00
10	1	HYDRANTS	07/13/92	R	SL	33	3,485.00	0.00	0.00	901.00	106.00	1,007.00
11	1	PUMPING EQUIPMEN	12/15/92	R	SL	33	25,887.00	0.00	0.00	6,337.00	784.00	7,121.00
12	1	METERS	10/15/92	R	SL	33	858.00	0.00	0.00	215.00	26.00	241.00
13	1	SERVICES & METERS	04/15/92	R	SL	33	699.00	0.00	0.00	184.00	21.00	205.00
14	1	TANKS	08/27/92	R	SL	33	1,070.00	0.00	0.00	267.00	32.00	299.00
15	1	(3) HYDRANTS	07/30/93	R	SL	33	5,000.00	0.00	0.00	1,127.00	152.00	1,279.00
16	1	WATER MAINS	03/31/93	R	SL	33	1,470.00	0.00	0.00	348.00	45.00	393.00
17	1	PUMPING EQUIPMEN	07/30/93	R	SL	33	1,475.00	0.00	0.00	334.00	45.00	379.00
18	1	PUMBING EQUIPMEN	03/05/93	R	SL	33	2,538.00	0.00	0.00	603.00	77.00	680.00
19	1	WELL #5A	12/31/94	R	SL	33	12,275.63	0.00	0.00	2,232.00	372.00	2,604.00
20	1	METERS	07/01/95	N	SL	33	5,413.60	0.00	0.00	902.00	164.00	1,066.00
21	1	HYDRANTS	03/29/95	R	SL	33	4,882.42	0.00	0.00	851.00	148.00	999.00
22	1	WATER MAINS	01/01/95	R	SL	33	600.00	0.00	0.00	108.00	18.00	126.00
23	1	METERS	03/20/97	N	SL	33	1,485.00	0.00	0.00	169.00	45.00	214.00
24	1	METERS	07/25/97	N	SL	33	3,583.00	0.00	0.00	372.00	109.00	481.00
25	1	1" METERS	04/06/98	N	MACRS	5	206.00	0.00	0.00	147.00	24.00	171.00
26	1	3/4" METERS	05/13/98	N	SL	33	1,678.00	0.00	0.00	136.00	51.00	187.00
27	1	3" CARGO METERS	07/27/98	N	SL	33	665.00	0.00	0.00	48.00	20.00	68.00
28	1	3" CARGO METER	06/30/99	N	SL	33	671.00	0.00	0.00	30.00	20.00	50.00
29	1	4 - 1" METERS	06/30/99	N	SL	33	396.00	0.00	0.00	18.00	12.00	30.00
30	1	24 - 3/4" METERS	02/21/00	N	SL	33	1,715.00	0.00	0.00	43.00	52.00	95.00
31	1	12 - 3/4" METERS	05/30/00	N	SL	33	566.00	0.00	0.00	10.00	17.00	27.00
32	1	8" WATER MAINS	03/29/01	N	SL	33	8,391.00	0.00	0.00	0.00	191.00	191.00
33	1	PUMPING EQUIPMEN	06/25/01	N	SL	33	10,561.00	0.00	0.00	0.00	160.00	160.00
34	1	METERS	01/12/01	N	SL	33	10,031.00	0.00	0.00	0.00	304.00	304.00
35	1	METERS	12/28/01	N	SL	33	4,881.00	0.00	0.00	0.00	0.00	0.00
36	1	4" WATER MAINS	04/25/01	N	SL	33	10,184.00	0.00	0.00	0.00	206.00	206.00
37	1	8" WATER MAINS	06/25/01	N	SL	33	34,034.00	0.00	0.00	0.00	516.00	516.00

Group # 1 Total							392,992.65	0.00	0.00	140,632.00	10,938.00	151,570.00
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Group # 2 NON-C.I.A.C.-OFFICE EQUIP

1	2	COMPUTER SOFTWA	05/09/86	N	SL	5	1,595.00	0.00	0.00	1,595.00	0.00	1,595.00
2	1	COMPUTER EQUIPME	09/07/89	N	SL	5	1,950.00	0.00	0.00	1,950.00	0.00	1,950.00
3	1	30MB HARD DRIVE	01/31/90	N	SL	5	371.00	0.00	0.00	378.00	0.00	378.00
4	1	NON-WATER PLANT	12/31/87	N	SL	5	0.00	0.00	0.00	0.00	0.00	0.00
5	1	COMPUTER	07/15/92	N	SL	5	1,111.00	0.00	0.00	1,333.00	0.00	1,333.00
6	1	FAX MACHINE	12/23/92	N	SL	5	444.00	0.00	0.00	533.00	0.00	533.00
7	1	PRINTER	12/23/92	N	SL	5	358.00	0.00	0.00	430.00	0.00	430.00
8	2	COMPUTER SOFTWA	05/07/96	N	SL	5	618.00	0.00	0.00	578.00	40.00	618.00
9	1	PRINTER	01/08/99	N	SL	5	268.00	0.00	0.00	108.00	54.00	162.00
10	1	COMPUTER EQUIPME	05/17/99	N	SL	5	845.00	0.00	0.00	268.00	169.00	437.00
11	1	FILE CABINET	09/30/99	N	SL	5	175.00	0.00	0.00	44.00	35.00	79.00
12	1	COMPUTER	10/28/99	N	SL	5	2,915.00	0.00	0.00	680.00	583.00	1,263.00

Group # 2 Total							10,650.00	0.00	0.00	7,897.00	881.00	8,778.00
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4/24/2002
15:48

RURAL WATER COMPANY
Federal ID #:
Asset Summary - Book Basis
Period Ended 12/31/01

Company: 258
Page: 2

<u>Num</u>	<u>Loc</u>	<u>Property Description</u>	<u>Acquired</u>	<u>T</u>	<u>Method</u>	<u>Life</u>	<u>Cost/Basis</u>	<u>179 Exp/AFD</u>	<u>Add 30%</u>	<u>Prior Depr.</u>	<u>Current Depr.</u>	<u>Ending Depr.</u>
Group # 3												
1	I	WATER PLANT.	12/31/87	R	SL	33	394,998.00	0.00	0.00	199,475.00	11,970.00	211,445.00
2	I	WATER PLANT-TRAC	07/01/88	R	SL	33	512,237.00	0.00	0.00	193,948.00	15,522.00	209,470.00
3	I	WATER PLANT-PARC	07/01/88	R	SL	33	19,017.00	0.00	0.00	7,197.00	576.00	7,773.00
4	I	WATER PLANT-GUST	07/01/89	R	SL	33	30,781.00	0.00	0.00	10,729.00	933.00	11,662.00
5	I	WATER PLANT-CRAI	07/01/89	R	SL	33	990.00	0.00	0.00	345.00	30.00	375.00
6	I	WATER PLANT-WES	07/01/89	R	SL	33	37,250.00	0.00	0.00	12,983.00	1,129.00	14,112.00
7	I	WATER PLANT-LUCI	10/01/89	R	SL	33	30,360.00	0.00	0.00	10,350.00	920.00	11,270.00
8	I	WATER PLANT-TRT	07/01/89	R	SL	33	89,134.00	0.00	0.00	31,062.00	2,701.00	33,763.00
9	I	WATER PLANT-COOL	04/10/90	R	SL	33	28,325.00	0.00	0.00	9,224.00	858.00	10,082.00
10	I	WATER PLANT- WEL	06/21/90	R	SL	33	24,247.00	0.00	0.00	7,717.00	735.00	8,452.00
11	I	WATER PLANT-MOO	12/31/91	R	SL	33	57,660.00	0.00	0.00	15,723.00	1,747.00	17,470.00
12	I	WATER PLANT-FLAT	09/30/91	R	SL	33	124,876.00	0.00	0.00	35,002.00	3,784.00	38,786.00
13	I	WATER PLANT-ROY	07/15/92	R	SL	33	5,988.00	0.00	0.00	1,539.00	181.00	1,720.00
14	I	WATER PLANT-INDI	07/15/92	R	SL	33	7,485.00	0.00	0.00	1,929.00	227.00	2,156.00
15	I	WATER PLANT-HUBE	12/31/92	R	SL	33	13,602.00	0.00	0.00	3,296.00	412.00	3,708.00
16	I	WATER PLANT - CON	06/04/93	R	SL	33	49,492.00	0.00	0.00	11,375.00	1,500.00	12,875.00
17	I	WATER PLANT - HUB	06/01/95	R	SL	33	28,585.00	0.00	0.00	4,835.00	866.00	5,701.00
18	I	WATER PLANT - CAS	01/01/95	R	SL	33	50,290.00	0.00	0.00	9,144.00	1,524.00	10,668.00
19	I	WATER PLANT - CRA	07/15/96	R	SL	33	17,648.00	0.00	0.00	2,407.00	535.00	2,942.00
20	I	WATER PLANT - TRA	06/01/97	N	SL	33	20,038.00	0.00	0.00	2,175.00	607.00	2,782.00
21	I	WATER PLANT - TRA	06/01/97	N	SL	33	25,712.00	0.00	0.00	2,792.00	779.00	3,571.00
22	I	HALCYON WATER M	06/01/97	N	SL	33	15,271.00	0.00	0.00	1,659.00	463.00	2,122.00
23	I	WATER PLANT - WE	01/31/98	N	SL	33	38,243.00	0.00	0.00	3,380.00	1,159.00	4,539.00
24	I	WATER PLANT -RUSS	05/27/98	N	SL	33	50,701.00	0.00	0.00	3,968.00	1,536.00	5,504.00
25	I	WATER PLANT - LUC	01/15/99	N	SL	33	158,002.00	0.00	0.00	9,576.00	4,788.00	14,364.00
26	I	WATER PLANT - CYP	10/31/00	N	SL	33	1,700,000.00	0.00	0.00	8,586.00	51,515.00	60,101.00
27	I	WATER PLANT - POR	01/25/01	N	SL	33	27,655.00	0.00	0.00	0.00	768.00	768.00
28	I	WATER PLANT - GAR	01/25/01	N	SL	33	28,538.00	0.00	0.00	0.00	793.00	793.00
Group # 3 Total							<u>3,587,125.00</u>	<u>0.00</u>	<u>0.00</u>	<u>600,416.00</u>	<u>108,558.00</u>	<u>708,974.00</u>
Grand Total							<u>3,990,767.65</u>	<u>0.00</u>	<u>0.00</u>	<u>748,945.00</u>	<u>120,377.00</u>	<u>869,322.00</u>