

4

Received _____
Examined _____

CLASS B and C
WATER UTILITIES

U# _____

2001
ANNUAL REPORT
OF

SEARLES DOMESTIC WATER COMPANY

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

P.O. BOX 577

TRONA, CALIFORNIA

93592

(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.
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.

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

NAME OF UTILITY Searles Domestic Water Company PHONE (760) 372-5326

PERSON RESPONSIBLE FOR THIS REPORT Audrey Schuyler
(Prepared from Information in the 2001 Annual Report)

	1/1/01	12/31/01	Average
BALANCE SHEET DATA			
1 Intangible Plant	1,565	1,565	1,565
2 Land and Land Rights	2,685	2,685	2,685
3 Depreciable Plant	1,807,681	1,805,036	1,806,359
4 Gross Plant in Service	1,811,931	1,809,286	1,810,609
5 Less: Accumulated Depreciation	(763,836)	(800,003)	(781,920)
6 Net Water Plant in Service	1,048,095	1,009,283	1,028,689
7 Water Plant Held for Future Use			-
8 Construction Work in Progress	153,124	153,124	153,124
9 Materials and Supplies	38,618	41,183	39,901
10 Less: Advances for Construction	(18,522)	(15,310)	(16,916)
11 Less: Contribution in Aid of Construction	(8,795)	(8,216)	(8,506)
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	
13 Net Plant Investment	<u>1,212,520</u>	<u>1,180,064</u>	<u>1,196,292</u>
CAPITALIZATION			
14 Common Stock	57,375	57,375	57,375
15 Proprietary Capital (Individual or Partnership)			-
16 Paid-in Capital	1,174,600	1,174,600	1,174,600
17 Retained Earnings	108,813	79,553	94,183
18 Common Stock and Equity (Lines 14 through 17)	1,340,788	1,311,528	1,326,158
19 Preferred Stock			-
20 Long-Term Debt			-
21 Notes Payable			-
22 Total Capitalization (Lines 18 through 21)	<u>1,340,788</u>	<u>1,311,528</u>	<u>1,326,158</u>

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

NAME OF UTILITY Searles Domestic Water Company PHONE (760) 372-5326

	Annual Amount
INCOME STATEMENT	
23 Unmetered Water Revenue	6,391
24 Fire Protection Revenue	1,095
25 Irrigation Revenue	
26 Metered Water Revenue	366,405
27 Total Operating Revenue	373,891
28 <u>Operating Expenses</u>	344,982
29 Depreciation Expense (Composite Rate <u>2.39%</u>)	38,999
30 Amortization and Property Losses	
31 Property Taxes	12,048
32 Taxes Other Than Income Taxes	13,070
33 Total Operating Revenue Deduction Before Taxes	409,099
34 California Corp. Franchise Tax	0
35 Federal Corporate Income Tax	0
36 Total Operating Revenue Deduction After Taxes	409,099
37 Net Operating Income (Loss) - California Water Operations	(35,208)
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	6,060
39 Income Available for Fixed Charges	(29,148)
40 Interest Expense	113
41 Net Income (Loss) Before Dividends	(29,261)
42 Preferred Stock Dividends	0
43 Net Income (Loss) Available for Common Stock	0

OTHER DATA		
44 Refunds of Advances for Construction		3,212
45 Total Payroll Charged to Operating Expenses		177,746
46 Purchased Water		40,288
47 Power		0

<u>Active Service Connections</u>	(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		935	920	928
49 Flat Rate Service Connections		0	0	0
50 Total Active Service Connections		935	920	928

**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: NONE
Address: _____
Phone Number: _____
Date Hired: _____

2. Former Fiscal Agent:

Name: NONE
Address: _____
Phone Number: _____
Date Hired: _____

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

\$ N/A

4. Summary of the trust bank account activities showing:

Balance at beginning of year	<u> \$N/A </u>
Deposits during the year	<u> </u>
Withdrawals made for loan payments	<u> </u>
Other withdrawals from this account	<u> </u>
Balance at end of year	<u> </u>

5. Account information:

Bank Name: N/A
Account Number: _____
Date Opened: _____

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

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

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT	N/A				
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					

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	1,805,036.08	1,807,681.72
3	103	Water plant held for future use	5		
4	104	Water plant purchased or sold			
5	105	Water plant construction work in progress		153,124.03	153,124.03
6		Total utility plant		1,958,160.11	1,960,805.75
7	106	Accumulated depreciation of water plant	6	800,002.29	763,836.06
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments			
10		Net utility plant		1,158,157.82	1,196,969.69
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		743,608.27	17,402.53
20	132	Special accounts			
21	141	Accounts receivable - customers		37,035.27	34,884.88
22	142	Receivables from associated companies			
23	143	Accumulated provision for uncollectible accounts			
24	151	Materials and supplies		41,182.88	38,618.11
25	174	Other current assets	7	(1,450.55)	(1,701.55)
26		Total current and accrued assets		820,375.87	89,203.97
27	180	Deferred charges	8		
28		Total assets and deferred charges		1,978,533.69	1,286,173.66

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	57,375.00	57,375.00
3	204	Preferred stock	9		
4	211	Other paid-in capital	9	1,174,600.00	1,174,600.00
5	215	Retained earnings	10	79,552.88	108,813.50
6		Total corporate capital and retained earnings		1,311,527.88	1,340,788.50
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			
16	232	Short term notes payable			
17	233	Customer deposits		4,965.00	4,425.00
18	235	Payables to associated companies	12	618,325.98	(106,730.42)
19	236	Accrued taxes		2,931.63	3,116.13
20	237	Accrued interest			
21	241	Other current liabilities	13		
22		Total current and accrued liabilities		626,222.61	(99,189.29)
23		DEFERRED CREDITS			
24	252	Advances for construction	13	15,310.43	18,522.22
25	253	Other credits	8		
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		15,310.43	18,522.22
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	14	18,982.46	18,982.46
32	272	Accumulated amortization of contributions		(10,766.88)	(10,187.42)
33		Net contributions in aid of construction		8,215.58	8,795.04
34		Total liabilities and other credits		1,961,276.50	1,268,916.47

**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	1,807,681	767	(3,412)		1,805,036
2	103	Water plant held for future use					
3	104	Water plant purchased or sold					
4	105	Construction work in progress - water plant	153,124		xxxxxxxxxxxx		153,124
5	114	Water plant acquisition adjustments			xxxxxxxxxxxx		
6		Total utility plant	1,960,805	767	(3,412)		1,958,160

* 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	1,565				1,565
3	303	Land	2,685				2,685
4		Total non-depreciable plant	4,250				4,250
5		DEPRECIABLE PLANT					
6	304	Structures	8,758				8,758
7	307	Wells					-
8	317	Other water source plant					-
9	311	Pumping equipment					-
10	320	Water treatment plant					-
11	330	Reservoirs, tanks and sandpipes	164,394				164,394
12	331	Water mains	1,236,874				1,236,874
13	333	Services and meter installations	190,941				190,941
14	334	Meters	57,493	767	3,412		54,848
15	335	Hydrants	86,412				86,412
16	339	Other equipment	56,226				56,226
17	340	Office furniture and equipment	2,333				2,333
18	341	Transportation equipment					-
19		Total depreciable plant	1,803,431	767	3,412		1,800,786
20		Total water plant in service	1,807,681	767	3,412		1,805,036

* 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	763,836		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	38,999		
4	(b) Charged to Account No 272	580		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits	39,579		
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	3,412		
11	(b) Cost of removal			
12	(c) All other debits (Footnote 3)			
13	Total debits	3,412		
14	Balance in reserve at end of year	800,003		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			2.39%
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 checked="" 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 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	5,793	193			5,986
2	307	Wells					-
3	317	Other water source plant					-
4	311	Pumping equipment					-
5	320	Water treatment plant					-
6	330	Reservoirs, tanks and sandpipes	82,534	4,192			86,726
7	331	Water mains	536,116	26,474			562,590
8	333	Services and meter installations	78,732	3,705			82,437
9	334	Meters	3,895	1,743	3,412		2,226
10	335	Hydrants	29,526	1,662			31,188
11	339	Other equipment	25,737	1,535			27,272
12	340	Office furniture and equipment	1,503	75			1,578
13	341	Transportation equipment					-
14		Total	763,836	39,579	3,412		800,003

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

Line No.	Item (a)	Amount (b)
1	Prepaid Taxes - San Bernardino County	(1,450.55)
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.
- 6 Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.
- also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From -- (d)	To -- (e)				
1	None								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
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	02/05/1944	100,000	None	2,295	57,375.00		None
2								
3								
4								
5								
6							Total	None

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	IMC Chemicals Inc	2,295	None	0
2				
3				
4				
5				
6				
7	Total number of shares	2,295	Total number of shares	0

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	Specific Capital Projects	1,174,600
2		
3		
4	Total	1,174,600

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	108,813.50
2	CREDITS	
3	Net income	
4	Prior period adjustments	
5	Other credits (detail)	
6	Total credits	0.00
7		
8	DEBITS	
9	Net losses	29,260.62
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	
14	Total debits	29,260.62
15	Balance end of year	79,552.88

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

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	None
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	None									
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	IMC Chemicals Inc.	618,325.98			
2					
3					
4	Totals	618,325.98			

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

Line No.	Description (a)	Balance End of Year (b)
1	None	
2		
3		
4		
5	Totals	

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	xxxxxxxxxxxxxxxx	18,522.22
2	Additions during year	xxxxxxxxxxxxxxxx	
3	Subtotal - Beginning balance plus additions during year	xxxxxxxxxxxxxxxx	
4	Charges during year:	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
5	Refunds	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
6	Percentage of revenue basis	3,211.79	xxxxxxxxxxxxxxxx
7	Proportionate cost basis		xxxxxxxxxxxxxxxx
8	Present worth basis		xxxxxxxxxxxxxxxx
9	Total refunds	3,211.79	xxxxxxxxxxxxxxxx
10	Transfers to Acct. 271, Contributions in aid of Construction	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
11	Due to expiration of contracts		xxxxxxxxxxxxxxxx
12	Due to present worth discount		xxxxxxxxxxxxxxxx
13	Total transfers to Acct. 271	0	xxxxxxxxxxxxxxxx
14	Securities Exchanged for Contracts (Enter detail below)		xxxxxxxxxxxxxxxx
15	Subtotal - charges during year	0	
16	Balance end of year	xxxxxxxxxxxxxxxx	15,310.43

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	None			
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	8,795	8,795			
2	Add: Credits to account during year					
3	Contributions received during year					
4	Other credits*					
5	Total credits	-	-			
6	Deduct: Debits to Account during year					
7	Depreciation charges for year	580	580			
8	Nondepreciable donated property retired					
9	Other debits*					
10	Total debits	580	580			
11	Balance end of year	8,215	8,215	0	0	0

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

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	\$1,095.12	\$1,217.81	(\$122.69)
12		Sub-total	\$1,095.12	\$1,217.81	(\$122.69)
13	465	Irrigation revenue			
14	470	Metered water revenue			
15		470.1 Single-family residential	\$348,928.75	\$373,306.34	(\$24,377.59)
16		470.2 Commercial and multi-residential	\$17,475.86	\$17,337.51	\$138.35
17		470.3 Large water users			\$0.00
18		470.5 Safe Drinking Water Bond Surcharge			\$0.00
19		470.9 Other metered revenue			\$0.00
20		Sub-total	\$366,404.61	\$390,643.85	(\$24,239.24)
21		Total water service revenues	\$367,499.73	\$391,861.66	(\$24,361.93)
22	480	Other water revenue	\$6,390.98	\$3,146.79	\$3,244.19
23		Total operating revenues	\$373,890.71	\$395,008.45	(\$21,117.74)

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	\$40,287.91	\$42,562.31	(\$2,274.40)
4	615	Power			\$0.00
5	616	Other volume related expenses			\$0.00
6		Total volume related expenses	\$40,287.91	\$42,562.31	(\$2,274.40)
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee labor	\$105,829.51	\$97,976.35	\$7,853.16
9	640	Materials	\$5,400.78	\$4,237.85	\$1,162.93
10	650	Contract work	\$12,604.83	\$6,902.58	\$5,702.25
11	660	Transportation expenses	\$23,372.86	\$18,666.28	\$4,706.58
12	664	Other plant maintenance expenses	\$209.25	\$1,386.80	(\$1,177.55)
13		Total non-volume related expenses	\$147,417.23	\$129,169.86	\$18,247.37
14		Total plant operation and maintenance exp.	\$187,705.14	\$171,732.17	\$15,972.97
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	\$71,916.54	\$32,838.78	\$39,077.76
17	671	Management salaries		\$40,592.43	(\$40,592.43)
18	674	Employee pensions and benefits	\$51,538.24	\$35,675.19	\$15,863.05
19	676	Uncollectible accounts expense	\$2,314.88	\$1,726.61	\$588.27
20	678	Office services and rentals	\$3,396.90	\$1,684.44	\$1,712.46
21	681	Office supplies and expenses	\$14,281.57	\$17,082.83	(\$2,801.26)
22	682	Professional services		\$2,731.76	(\$2,731.76)
23	684	Insurance	\$3,128.33	\$2,896.79	\$231.54
24	688	Regulatory commission expense	\$5,462.44	\$5,432.20	\$30.24
25	689	General expenses	\$5,237.79	(\$6,471.54)	\$11,709.33
26		Total administrative and general expenses	\$157,276.69	\$134,189.49	\$23,087.20
27	800	Expenses capitalized			
28		Net administrative and general expense	\$157,276.69	\$134,189.49	\$23,087.20
29		Total operating expenses	\$344,981.83	\$305,921.66	\$39,060.17

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	\$12,048.24	\$12,048.24	
2	State corporate franchise tax			
3	State unemployment insurance tax	\$184.21	\$184.21	
4	Other state and local taxes			
5	Federal unemployment insurance tax	\$123.04	\$123.04	
6	Federal insurance contributions act	\$10,190.18	\$10,190.18	
7	Other federal taxes			
8	Federal income taxes			
9	San Bernardino County Franchise Tax	\$2,572.50	\$2,572.50	
10				
11	Totals	\$25,118.17	\$25,118.17	

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	(29,261)
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5	2000 Federal & State Tax Expense	0
6		
7		
8		
9		
10	Federal tax net income	(29,261)
11	Computation of tax:	
12	Income x 41%	(11,997)
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	Dividends on Account at Searles Lake Federal Credit Union	\$6,060.36	
2			
3			
4			
5	Total	\$6,060.36	

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	Interest on Customer's Guarantee Deposits	\$112.65
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	\$112.65

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	2	\$105,829.51		\$105,829.51
2	670	Office salaries	1	\$71,916.54		\$71,916.54
3	671	Management salaries	1			
4						
5						
6		Total	4	\$177,746.05		\$177,746.05

**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 and/or management of its own affairs during the year? Answer: (Yes or No) No	
2	(If the answer is in the affirmative, make appropriate replies to the following questions)*	
3	2. Name of each organization or person that was a party to such a contract or agreement.	
4		
5		
6	3. Date of original contract or agreement.	
7	4. Date of each supplement or agreement.	
8	5. Amount of compensation paid during the year for supervision or management \$	
9	6. To whom paid	
10	7. Nature of payment (salary, traveling expenses, etc.).	
11	8. Amounts paid for each class of service.	
12		
13	9. Basis for determination of such amounts	
14		
15	10. Distribution of payments: Amount	
16	(a) Charged to operating expenses	\$
17	(b) Charged to capital amounts	\$
18	(c) Charged to other account	\$
19	Total	\$
20	11. Distribution of charges to operating expenses by primary accounts	
21	Number and Title of Account	Amount
22		\$
23		\$
24		\$
25	Total	\$
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
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	None								
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	None							
7								
8								
9								
10								

TUNNELS AND SPRINGS				FLOW IN (Unit) 2		Annual Quantities Pumped (Unit) 2	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11	None						
12							
13							
14							
15							

Purchased Water for Resale							
16	Purchased from		IMC Chemicals Inc.				
17	Annual Quantities purchased		95,799	(Unit chosen) 1		Thousand Gallons	
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	1	500,000	Gallons
12	Concrete			
13	Totals	1	500,000	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 None								
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 None								
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) (steel)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw	92	2,067	8,007		350			621	1,358
17	Screw or welded casing									
18	Cement - asbestos					6,511	14,338		12,482	2,116
19	Welded steel									
20	Wood									
21	Other (specify)	220		10,966		70	5,885		73,133	14,924
22	Totals	312	2,067	18,973	-	6,931	20,223	-	86,236	18,398

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
								3/4	6-5/8	
23	Cast Iron									-
24	Cast iron (cement lined) (steel)		1,805							1,805
25	Concrete									-
26	Copper									-
27	Riveted steel									-
28	Standard screw							160		12,655
29	Screw or welded casing									-
30	Cement - asbestos		480							35,927
31	Welded steel								6,556	6,556
32	Wood									-
33	Other (specify)									105,198
34	Totals	-	2,285	-	-	-	-	160	6,556	162,141

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	853	845		
Commercial and Multi-residential	69	62		
Large water users				
Public authorities	12	12		
Irrigation	1	1		
Other (specify)				
Subtotal	935	920		
Private fire connections			4	3
Public fire hydrants				
Total	935	920	4	3

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

Size	Meters	Services
5/8 x 3/4 - in		xxxxxxxxxxxx
3/4 - in	1106	1343
1 - in		
1-1/2 - in	10	9
2 - in	15	11
4 - in	1	
6 - in	1	
- in		
Other		
Total	1133	1363

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	20
3. Used, after repair	0
4. Found fast, requiring billing adjustment	0
B. Number of Meters in Service Since Last Test	
1. Ten years or less	1011
2. More than 10, but less than 15 years	119
3. More than 15 years	3

SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in Thousand Gallons (Unit Chosen):

Classification of Service	During Current Year							Subtotal	
	January	February	March	April	May	June	July		
Single-family residential	4427	4291	3937	4602	7280	8401	8164	41102	
Commercial and Multi-residential	589	902	612	593	700	701	748	4845	
Large water users									
Public authorities	188	325	304	414	613	616	442	2902	
Irrigation	17	13	40	70	123	159	104	526	
Other (specify)									
Total	5221	5531	4893	5679	8716	9877	9458	49375	
Classification of Service	During Current Year						Subtotal	Total	Total Prior Year
	August	September	October	November	December				
Single-family residential	8295	7728	7653	5320	4888	33884	74986	79491	
Commercial and Multi-residential	710	702	772	587	610	3381	8226	9628	
Large water users									
Public authorities	438	469	540	371	328	2146	5048	4777	
Irrigation	85	112	102	65	22	386	912	1667	
Other (specify)									
Total	9528	9011	9067	6343	5848	39797	89172	95563	

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

Total acres irrigated 0

Total population served 2100

INDEX

	PAGE	WORK SHEET		PAGE	WORK SHEET
Advances from associated companies -----	12	A-12	Organization and control -----	1	GenInfo
Advances for construction -----	13	A-15	Other assets -----	7	A-4
Assets -----	2	Assets	Other income -----	15	B
Balance sheet -----	2-3	Liabilities	Other paid in capital -----	9	A-8
Capital stock -----	9	A-6	Payables to associated companies -----	12	A-13
Contributions in aid of construction -----	14	A-17	Population served -----	23	D-4
Depreciation and amortization reserves -----	6	A-3	Proprietary capital -----	10	A-10
Declaration -----	24	D-9	Purchased water for resale -----	21	D-1
Deferred taxes -----	13	A-16	Retained earnings -----	10	A-9
Dividends appropriations -----	10	A-9	Service connections -----	23	D-4
Employees and their compensation -----	19	C-1	Sources of supply and water developed --	21	D-1
Engineering and management fees -----	20	C-3	Status with Board of Health -----	24	D-8
Income statement -----	15	Income	Stockholders -----	9	A-7
Liabilities -----	3	Liabilities	Storage facilities -----	21	D-2
Loans to officers, directors, or shareholders --	20	C-2	Taxes -----	18	B-3
Long term debt -----	11	A-11	Transmission and distribution facilities --	22	D-3
Management compensation -----	17	B-2	Unamortized debt discount and expense -	8	A-5
Meters and services -----	23	D-5	Unamortized premium on debt -----	8	A-5
Non-utility property -----	5	A-2	Utility plant -----	4	A-1
Officers -----	1	GenInfo	Water delivered to metered customers ---	23	D-7
Operating expenses -----	17	B-2	Water plant in service -----	4	A-1a
Operating revenues -----	16	B-1	Water plant held for future use -----	5	A-1b