

Received _____

Examined _____

CLASS A
WATER UTILITIES

U# _____

2003
ANNUAL REPORT
OF

SUBURBAN WATER SYSTEMS

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

1211 E. CENTER COURT DRIVE

COVINA, CA 91724-3603

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2003

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2004
(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: KENNETH LOUIE
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 instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
Year 2003

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

PERSON RESPONSIBLE FOR THIS REPORT JOHN BRETTI

(Prepared from Information in the 2003 Annual Report)

	01/01/2003	12/31/2003	Average
BALANCE SHEET DATA			
1 Intangible Plant	978,457	978,457	978,457
2 Land and Land Rights	847,544	852,828	850,186
3 Depreciable Plant	110,674,377	115,425,973	113,050,175
4 Gross Plant in Service	112,500,378	117,257,258	114,878,818
5 Less: Accumulated Depreciation	(39,973,111)	(41,453,670)	(40,713,391)
6 Net Water Plant in Service	72,527,267	75,803,588	74,165,428
7 Water Plant Held for Future Use	0	0	0
8 Construction Work in Progress	9,384,879	11,431,229	10,408,054
9 Materials and Supplies	265,088	417,400	341,244
10 Less: Advances for Construction	(5,613,971)	(5,592,162)	(5,603,067)
11 Less: Contributions in Aid of Construction	(6,478,084)	(8,070,258)	(7,274,171)
12 Less: Accum. Deferred Income Taxes and Investment Tax Credits	(9,631,532)	(10,438,065)	(10,034,799)
13 Net Plant Investment	60,453,647	63,551,732	62,002,690
CAPITALIZATION			
14 Common Stock	745,380	745,380	745,380
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	5,008,394	5,008,394	5,008,394
17 Retained Earnings	28,298,217	30,851,601	29,574,909
18 Common Stock and Equity (Lines 14 through 17)	34,051,991	36,605,375	35,328,683
19 Preferred Stock	3,982,267	3,982,267	3,982,267
20 Long-Term Debt	20,200,000	19,300,000	19,750,000
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	58,234,258	59,887,642	59,060,950

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

Adjusted to Exclude Non-Regulated Activity

Year 2003

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

PERSON RESPONSIBLE FOR THIS REPORT JOHN BRETTI

(Prepared from Information in the 2003 Annual Report)

	01/01/2003	12/31/2003	Average
BALANCE SHEET DATA			
1 Intangible Plant	978,457	978,457	978,457
2 Land and Land Rights	847,544	852,828	850,186
3 Depreciable Plant	110,674,377	115,425,973	113,050,175
4 Gross Plant in Service	112,500,378	117,257,258	114,878,818
5 Less: Accumulated Depreciation	(39,973,111)	(41,453,670)	(40,713,391)
6 Net Water Plant in Service	72,527,267	75,803,588	74,165,428
7 Water Plant Held for Future Use	0	0	0
8 Construction Work in Progress	9,384,879	11,431,229	10,408,054
9 Materials and Supplies	265,088	417,400	341,244
10 Less: Advances for Construction	(5,613,971)	(5,592,162)	(5,603,067)
11 Less: Contributions in Aid of Construction	(6,478,084)	(8,070,258)	(7,274,171)
12 Less: Accum. Deferred Income Taxes and Investment Tax Credits	(9,631,532)	(10,438,065)	(10,034,799)
13 Net Plant Investment	60,453,647	63,551,732	62,002,690
CAPITALIZATION			
14 Common Stock	745,380	745,380	745,380
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	5,008,394	5,008,394	5,008,394
17 Retained Earnings	28,298,217	30,851,601	29,574,909
18 Common Stock and Equity (Lines 14 through 17)	34,051,991	36,605,375	35,328,683
19 Preferred Stock	3,982,267	3,982,267	3,982,267
20 Long-Term Debt	20,200,000	19,300,000	19,750,000
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	58,234,258	59,887,642	59,060,950

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2003

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	172,329
24	Fire Protection Revenue	571,676
25	Irrigation Revenue	0
26	Metered Water Revenue	42,052,316
27	Total Operating Revenue	42,796,321
28	<u>Operating Expenses</u>	28,362,238
29	Depreciation Expense (Composite Rate 2.834%)	3,169,983
30	Amortization and Property Losses	(288)
31	Property Taxes	709,738
32	Taxes Other Than Income Taxes	391,317
33	Total Operating Revenue Deduction Before Taxes	32,632,988
34	California Corp. Franchise Tax	824,576
35	Federal Corporate Income Tax	3,084,329
36	Total Operating Revenue Deduction After Taxes	36,541,893
37	Net Operating Income (Loss) - California Water Operations	6,254,428
38	Other Operating and Nonoper. Income and (Exp.) - Net (Exclude Interest Expense)	1,177,248
39	Income Available for Fixed Charges	7,431,676
40	Interest Expenses	1,458,943
41	Net Income (Loss) Before Dividends	5,972,733
42	Preferred Stock Dividends	168,793
43	Net Income (Loss) Available for Common Stock	5,803,940

OTHER DATA

44	Refunds of Advances for Construction	219,421
45	Total Payroll Charged to Operating Expenses	5,208,756
46	Purchased Water (Acct. No 704)	15,093,094
47	Power (Acct. No. 726)	1,926,292
48	Class A Water Companies Only:	
	a. Pre-TRA 1986 Contributions in Aid of Construction	2,327,589
	b. Pre-TRA 1986 Advances for Construction	658,388
	c. Post TRA 1986 Contributions in Aid of Construction	5,742,669
	d. Post TRA 1986 Advances for Construction	4,933,774

Active Service Connections (Exc. Fire Protect.) 600

	Jan. 1	Dec. 31	Annual Average
49 Metered Service Connections	74,607	74,757	74,682
50 Flat Rate Service Connections	0	0	0
51 Total Active Service Connections	74,607	74,757	74,682

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

Adjusted to Exclude Non-Regulated Activity

2003

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	172,329
24	Fire Protection Revenue	571,676
25	Irrigation Revenue	0
26	Metered Water Revenue	42,052,316
27	Total Operating Revenue	42,796,321
28	<u>Operating Expenses</u>	28,362,238
29	Depreciation Expense (Composite Rate 2.834%)	3,169,983
30	Amortization and Property Losses	(288)
31	Property Taxes	709,738
32	Taxes Other Than Income Taxes	391,317
33	Total Operating Revenue Deduction Before Taxes	32,632,988
34	California Corp. Franchise Tax	824,576
35	Federal Corporate Income Tax	3,084,329
36	Total Operating Revenue Deduction After Taxes	36,541,893
37	Net Operating Income (Loss) - California Water Operations	6,254,428
38	Other Operating and Nonoper. Income and (Exp.) - Net (Exclude Interest Expense)	1,177,248
39	Income Available for Fixed Charges	7,431,676
40	Interest Expenses	1,458,943
41	Net Income (Loss) Before Dividends	5,972,733
42	Preferred Stock Dividends	168,793
43	Net Income (Loss) Available for Common Stock	5,803,940

OTHER DATA

44	Refunds of Advances for Construction	219,421
45	Total Payroll Charged to Operating Expenses	5,208,756
46	Purchased Water (Acct. No 704)	15,093,094
47	Power (Acct. No. 726)	1,926,292
48	Class A Water Companies Only:	
	a. Pre-TRA 1986 Contributions in Aid of Construction	2,327,589
	b. Pre-TRA 1986 Advances for Construction	658,388
	c. Post TRA 1986 Contributions in Aid of Construction	5,742,669
	d. Post TRA 1986 Advances for Construction	4,933,774

Active Service Connections (Exc. Fire Protect.) 600

	Jan. 1	Dec. 31	Annual Average	
49	Metered Service Connections	74,607	74,757	74,682
50	Flat Rate Service Connections	0	0	0
51	Total Active Service Connections	74,607	74,757	74,682

Notes to Adjusted Selected Financial Data

Instructions: Provide reasons for each adjustment to the Selected Financial Data due to non-regulated activities. Detail this information by name of line item (Gross Plant, Operating Revenues, etc.), account number, dollar amount, and by point in time (end of year, beginning of year, or average).

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16

GENERAL INFORMATION

- 1 Name under which utility is doing business: SUBURBAN WATER SYSTEMS
- 2 Official mailing address: 1211 E. CENTER COURT DRIVE
COVINA, CALIFORNIA ZIP 91724-3603
- 3 Name and title of person to whom correspondence should be addressed:
JOHN A. BRETTL, VICE PRESIDENT-FINANCE & C.F.O. Telephone: (626) 543-2500
- 4 Address where accounting records are maintained: 1211 E. CENTER COURT DRIVE
COVINA, CALIFORNIA 91724-3603
- 5 Service Area: (Refer to district reports if applicable): IN OR NEAR WEST COVINA, COVINA, WHITTIER,
LA PUENTE, VALINDA, GLENDORA, LA MIRADA, HACIENDA HGHTS, INDUSTRY, LA HABRA &
PORTIONS OF LOS ANGELES AND ORANGE COUNTIES.
- 6 Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
 Name: DANIEL N. EVANS, CHIEF ADMINISTRATIVE OFFICER
 Address: 1211 E. CENTER COURT DRIVE Telephone: (626) 543-2500
COVINA, CALIFORNIA 91724-3603

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) _____

SUBURBAN WATER SYSTEMS
CALIFORNIA Date: APRIL 15, 1907

Organized under laws of (state)

Principal Officers:

<u>(Name) MICHAEL O. QUINN</u>	<u>(Title) PRESIDENT</u>
<u>(Name) DANIEL N. EVANS</u>	<u>(Title) CHIEF ADMINISTRATIVE OFFICER</u>
<u>(Name) JOHN A. BRETTL</u>	<u>(Title) V.P.- FIN. & C.F.O.</u>
<u>(Name) PAUL S. CARVER</u>	<u>(Title) V.P.-ENGINEERING</u>
<u>(Name) ROBERT L. KELLY</u>	<u>(Title) V.P.-REG. AFFAIRS</u>

8 Names of associated companies: SOUTHWEST WATER COMPANY
WATER SUPPLIERS MOBILE COMMUNICATIONS

9 Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each aquisition:

<u>NONE</u>	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	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. UTILITY PLANT			
2	100	Utility plant	8	128,688,487	121,885,257
3	107	Utility plant adjustments			
4		Total utility plant		128,688,487	121,885,257
5	250	Reserve for depreciation of utility plant	12	(41,371,437)	(39,890,590)
6	251	Reserve for amortization of limited term utility investments	12	(90,821)	(89,753)
7	252	Reserve for amortization of utility plant acquisition adjustment	12	8,588	7,232
8		Total utility plant reserves		(41,453,670)	(39,973,111)
9		Total utility plant less reserves		87,234,817	81,912,146
10					
11		II. INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	10	513,777	140,776
13	253	Reserve for depreciation and amortization of other property	12	(401,776)	(37,075)
14		Other physical property less reserve		112,001	103,701
15	111	Investments in associated companies	14		
16	112	Other investments	14		
17	113	Sinking funds	15		
18	114	Miscellaneous special funds	15		
19		Total investments and fund accounts		112,001	103,701
20					
21		III. CURRENT AND ACCRUED ASSETS			
22	120	Cash		0	0
23	121	Special deposits	16		
24	122	Working funds		4,242	3,738
25	123	Temporary cash investments		50,165	51,368
26	124	Notes receivable	16		
27	125	Accounts receivable		4,956,564	4,190,447
28	126	Receivables from associated companies	17	4,205,625	10,335,040
29	131	Materials and supplies		417,400	265,088
30	132	Prepayments	17	375,394	610,260
31	133	Other current and accrued assets	17		
32		Total current and accrued assets		10,009,390	15,455,941
33					
34		IV. DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	18	396,667	464,950
36	141	Extraordinary property losses	19		
37	142	Preliminary survey and investigation charges		85,813	105,697
38	143	Clearing accounts			
39	145	Other work in progress		14,165	9,009
40	146	Other deferred debits	19	2,104,952	2,484,585
41		Total deferred debits		2,601,597	3,064,241
42		Total assets and other debits			
43				99,957,805	100,536,029

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. CORPORATE CAPITAL AND SURPLUS			
2	200	Common capital stock	20	745,380	745,380
3	201	Preferred capital stock	20	3,982,267	3,982,267
4	202	Stock liability for conversion			
5	203	Premiums and assessments on capital stock	20	126,550	126,550
6	150	Discount on capital stock	19		
7	151	Capital stock expense	19		
8	270	Capital surplus	21	4,881,844	4,881,844
9	271	Earned surplus	21	30,851,601	28,298,217
10		Total corporate capital and surplus		40,587,642	38,034,258
11					
12		II. PROPRIETARY CAPITAL			
13	204	Proprietary capital (Individual or partnership)	22		
14	205	Undistributed profits of proprietorship or partnership	22		
15		Total proprietary capital			
16					
17		III. LONG-TERM DEBT			
18	210	Bonds	23	19,300,000	20,200,000
19	211	Receivers' certificates			
20	212	Advances from associated companies	24		
21	213	Miscellaneous long-term debt	24		
22		Total long-term debt		19,300,000	20,200,000
23					
24		IV. CURRENT AND ACCRUED LIABILITIES			
25	220	Notes payable	25		
26	221	Notes receivable discounted			
27	222	Accounts payable		1,872,395	1,704,092
28	223	Payables to associated companies	25	50,416	39,783
29	224	Dividends declared		0	0
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		197,955	230,890
33	228	Taxes accrued	26	3,872,406	3,168,749
34	229	Interest accrued		457,370	479,780
35	230	Other current and accrued liabilities	25	3,667,793	10,979,890
36		Total current and accrued liabilities		10,118,335	16,603,184
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	18		
40	241	Advances for construction	27	5,592,162	5,613,971
41	242	Other deferred credits	28	6,368,439	4,510,142
42		Total deferred credits		11,960,601	10,124,113
43					
44		VI. RESERVES			
45	254	Reserve for uncollectible accounts	28	90,969	112,894
46	255	Insurance reserve	28		
47	256	Injuries and damages reserve	28		
48	257	Employees' provident reserve	28	0	0
49	258	Deferred income taxes	28	9,830,000	8,983,496
50		Total reserves		9,920,969	9,096,390
51					
52		VII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	29	8,070,258	6,478,084
54		Total liabilities and other credits		99,957,805	100,536,029

SCHEDULE B
Income Account for the Year

Line No.	Acct.	Account (a)	Schedule Page No. (b)	Amount (c)
1		I. UTILITY OPERATING INCOME		
2	501	Operating revenues	30	42,796,321
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	31-33	28,362,238
6	503	Depreciation	12	3,169,983
7	504	Amortization of limited-term utility investments	12	1,068
8	505	Amortization of utility plant acquisition adjustments	12	(1,356)
9	506	Property losses chargeable to operations	34	
10	507	Taxes	34	5,009,960
11		Total operating revenue deductions		36,541,893
12		Net operating revenues		6,254,428
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		6,254,428
16				
17		II. OTHER INCOME		
18	521	Income from nonutility operations (Net)	36	54,464
19	522	Revenue from lease of other physical property		11,694
20	523	Dividend revenues		
21	524	Interest revenues		
22	525	Revenues from sinking and other funds		
23	526	Miscellaneous nonoperating revenues	36	256,103
24		Total other income		322,261
25		Net income before income deductions		6,576,689
26				
27		III. INCOME DEDUCTIONS		
28	401	Sale/Asset-Cr.		(728,197)
29	527	Nonoperating revenue deductions - Dr.	36	8,699
30	530	Interest on long-term debt		1,415,494
31	531	Amortization of debt discount and expense	18	68,283
32	532	Amortization of premium on debt - Cr.	18	
33	533	Taxes assumed on interest		
34	534	Interest on debt to associated companies		
35	535	Other interest charges	36	(2,121)
36	536	Interest charged to construction - Cr.		(22,714)
37	537	Miscellaneous amortization		(309,096)
38	538	Miscellaneous income deductions	36	173,608
39		Total income deductions		603,956
40		Net income		5,972,733
41				
42		IV. DISPOSITION OF NET INCOME		
43	540	Miscellaneous reservations of net income		
44				
45		Balance transferred to Earned Surplus or		
46		Proprietary Accounts scheduled on page 22		0

SCHEDULE A-1
Account 100 - Utility Plant

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1	100 - 1	Utility plant in service (Schedule A-1a)	112,564,418	6,279,615	(1,522,735)	0	117,321,298
2	100 - 2	Utility plant leased to others	0				0
3	100 - 3	Construction work in progress	9,384,879		xxxxxxxxxx	2,046,350	11,431,229
4	100 - 4	Utility plant held for future use (Sch A-1c)	0				0
5	100 - 5	Utility plant acquisition adjustments	(64,040)		xxxxxxxxxx		(64,040)
6	100 - 6	Utility plant in process of reclassification	0				0
7		Total utility plant	121,885,257	6,279,615	(1,522,735)	2,046,350	128,688,487

SCHEDULE A-1a
Account 100.1 - Utility Plant in Service

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
8		I. INTANGIBLE PLANT					
9	301	Organization	24,996				24,996
10	302	Franchises and consents (Schedule A-1b)	8,040				8,040
11	303	Other intangible plant	945,421				945,421
12		Total intangible plant	978,457	0	0	0	978,457
13							
14		II. LANDED CAPITAL					
15	306	Land and land rights	847,544	0	5,284	0	852,828
16							
17		III. SOURCE OF SUPPLY PLANT					
18	311	Structures and improvements	0				0
19	312	Collecting and impounding reservoirs	0				0
20	313	Lake, river and other intakes	0				0
21	314	Springs and tunnels	0				0
22	315	Wells	3,116,809	(243,954)	(1,299)	0	2,871,556
23	316	Supply mains	6,430,939	0	0	0	6,430,939
24	317	Other source of supply plant	332,496	0	(2,672)		329,824
25		Total source of supply plant	9,880,244	(243,954)	(3,971)	0	9,632,319
26							
27		IV. PUMPING PLANT					
28	321	Structures and improvements	1,475,191	393,009	(72,844)	0	1,795,356
29	322	Boiler plant equipment	0	0	0	0	0
30	323	Other power production equipment	0	0	0	0	0
31	324	Pumping equipment	7,803,947	607,108	(233,142)	0	8,177,913
32	325	Other pumping plant	127,189	0	(59,468)		67,721
33		Total pumping plant	9,406,327	1,000,117	(365,454)	0	10,040,990
34							
35		V. WATER TREATMENT PLANT					
36	331	Structures and improvements	41,334	0	(14,333)		27,001
37	332	Water treatment equipment	3,056,401	45,174	(4,884)		3,096,691
38		Total water treatment plant	3,097,735	45,174	(19,217)	0	3,123,692

Schedule A-1a
Account 100.1 - Utility Plant in Service - Concluded

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		VI. TRANSMISSION AND DIST. PLANT					
2	341	Structures and improvements	207,387				207,387
3	342	Reservoirs and tanks	9,780,792	25,210	(296,700)		9,509,302
4	343	Transmission and distribution mains	50,558,905	3,293,126	(60,219)		53,791,812
5	344	Fire mains	0				0
6	345	Services	12,463,904	842,500	(33,198)		13,273,206
7	346	Meters	3,831,036	268,496	(169,677)		3,929,855
8	347	Meter installations	0				0
9	348	Hydrants	4,793,017	343,607	(16,948)		5,119,676
10	349	Other transmission and distribution plant	0				0
11		Total transmission and distribution plant	81,635,041	4,772,939	(576,742)	0	85,831,238
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	1,965,000	108,576	(399,685)		1,673,891
15	372	Office furniture and equipment	1,757,023	221,173	(52,159)		1,926,037
16	373	Transportation equipment	20,964				20,964
17	374	Stores equipment	0				0
18	375	Laboratory equipment	0				0
19	376	Communication equipment	2,004,528	197,031	(110,791)		2,090,768
20	377	Power operated equipment	67,709	9,091			76,800
21	378	Tools, shop and garage equipment	156,619	57,793			214,412
22	379	Other general plant	0	0			0
23	381	GIS Mapping Facilities	747,227	111,675			858,902
24		Total general plant	6,719,070	705,339	(562,635)	0	6,861,774
25							
26		VIII. UNDISTRIBUTED ITEMS					
27	390	Other tangible property	0				0
28	391	Utility plant purchased	0				0
29	392	Utility plant sold	0				0
30		Total undistributed items	0	0	0	0	0
31		Total utility plant in service	112,564,418	6,279,615	(1,522,735)	0	117,321,298

SCHEDULE A-1b
Account 302 - Franchises and Consents

Line No.	Name of Original Grantor (a)	Date of Grant (b)	Term in Years (c)	Date of Acquisition by Utility (d)	Amount at Which Carried in Account 1 (e)
31	City of Whittier	09/20/30	40	09/20/30	5,621
32	City of Industry	09/27/60	50	09/27/60	251
33	City of La Puente		50		478
34	City of Los Angeles	11/28/80	25	11/28/80	1,690
35		Total xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx			8,040

1 The total should agree with the balance at the end of the year in Account 302 in Schedule A-1a Line 10.

SCHEDULE A-1c
Account 100.4 - Utility Plant Held for Future Use

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

SCHEDULE A-2
Account 110 - Other Physical Property

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
10		
11		
12		
13		
14	SEE ATTACHED SCHEDULE	
15		
16		
17		
18		
19		
20		
21		
22		
23		
24	Total	513,777

SCHEDULE A-2
ACCOUNT #110 - OTHER PHYSICAL PROPERTY

LINE NO.	NAME AND DESCRIPTION OF PROPERTY (a)	
28	PLANT #101 - LAND AND LANDSCAPING	4,810
29	PLANT #103 - LAND AND FENCE	8,258
30	PLANT #106W1 - LAND	6,695
31	PLANT #107B2 - LAND AND FENCE	4,942
32	PLANT #111W1 - LAND	735
33	PLANT #112W1 - LAND AND FENCE	812
33 (a)	PLANT #113 - LAND, FENCE AND SPRINKLERS	1,024
33 (b)	PLANT #120 - LAND AND FENCE	3,275
33 (c)	PLANT #122 - LAND, FENCE AND SPRINKLERS	4,581
33 (d)	PLANT #127R1 - LAND	4,063
33 (e)	PLANT #128 - SAN JOSE HILLS BUILDING	361,138
33 (f)	PLANT #133 - LAND AND FENCE	9,189
33 (g)	PLANT #134 - LAND, FENCE AND SPRINKLERS	4,807
33 (h)	PLANT #135 - LAND AND FENCE	9,016
33 (i)	PLANT #136 - LAND AND FENCE	4,470
33 (j)	PLANT #143B1 - LAND AND FENCE	2,815
33 (k)	PLANT #144B1 - LAND, FENCE AND SPRINKLERS	4,200
33 (l)	PLANT #148 - LAND AND FENCE	5,580
33 (m)	PLANT #149 - LAND AND FENCE	1,797
33 (n)	PLANT #151 - LAND, FENCE	20,157
33 (o)	PLANT #152 - LAND, FENCE AND SPRINKLERS	4,161
33 (p)	PLANT #153W1 - LAND	759
33 (q)	PLANT #154W1 - LAND	6,000
33 (r)	PLANT #155 - LAND AND FENCE	5,387
33 (s)	PLANT #157 - LAND AND SPRINKLERS	778
33 (t)	PLANT #213W1 - LAND	1,782
33 (u)	PLANT #424 - LAND AND FENCE	5,947
33 (v)	SOUTH HILLS COUNTRYR CLUB	26,601
		<u>513,777</u>

SCHEDULE A-1d
RATE BASE

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		RATE BASE			
2					
3		Utility Plant			
4	100-1	Plant in Service	8	117,321,298	112,564,418
5	100-3	Construction Work in Progress	8	11,431,229	9,384,879
6		General Office Prorate		-	
7		Total Gross Plant (Line 4 + Line 5 + Line 6)		128,752,527	121,949,297
8					
9		Less Accumulated Depreciation			
10	250	Plant in Service	12	41,371,437	39,890,590
11		General Office Prorate		-	
12		Total Accumulated Depreciation (Line 10 + Line 11)		41,371,437	39,890,590
13					
14		Less Other Reserves			
15	258	Deferred Income Taxes	28	9,830,000	8,983,496
16	242	Deferred Investment Tax Credit	28	608,065	648,036
17		Other Reserves		-	
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		10,438,065	9,631,532
19					
20		Less Adjustments			
21	265	Contributions in Aid of Construction	29	8,070,258	6,478,084
22	241	Advances for Construction	27	5,592,162	5,613,971
23		Other		-	
24		Total Adjustments (Line 21 + Line 22 + Line 23)		13,662,420	12,092,055
25					
26	131	Add Materials and Supplies	5	417,400	265,088
27					
28		Add Working Cash (From Schedule A-1d(2))	11a	5,732,273	5,627,711
29					
30		TOTAL RATE BASE		69,430,278	66,227,919
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28			
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					

SCHEDULE A-1d (2)
RATE BASE
Working Cash Calculation

Line No.	Acct	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		Working Cash			
2					
3		Determination of Operational Cash Requirement			
4		1. Operating Expenses, Excl Taxes, Depr. & Uncoll.	33	28,285,427	27,953,280
5	726	2. Purchased Power & Commodity for Resale*	3	1,926,292	2,350,669
6		3. Meter Revenues: Bimonthly Billing		6,276,997	5,555,144
7		4. Other Revenues: Flat Rate Monthly Billing		-	-
8		5. Total Revenues (3 + 4)		6,276,997	5,555,144
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)		-	-
10		7. $5/24 \times \text{Line 1} \times (100\% - \text{Line 6})$		5,892,797	5,823,600
11		8. $1/24 \times \text{Line 1} \times \text{Line 6}$		-	-
12		9. $1/12 \times \text{Line 2}$		160,524	195,889
13		10. Operational Cash Requirement (7 + 8 - 9)		5,732,273	5,627,711
14					
15					
16		* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).			
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					

SCHEDULE A-3
Accounts 250 to 253, Inclusive - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 250 Utility Plant (b)	Account 251 Limited-Term Utility Investments (c)	Account 252 Utility Plant Acquisition Adjustments (d)	Account 253 Other Property (e)
1	Balance in reserves at beginning of year	39,890,590	89,753	(7,232)	37,075
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505 (1)	3,169,983	1,068	(1,356)	
4	(b) Charged to Account 266	354,950			
5	(c) Charged to clearing accounts				
6	(d) Salvage recovered	255			
7	(e) All other credits (2)	0			364,701
8	Total credits	3,525,188	1,068	(1,356)	364,701
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	1,532,815			
11	(b) Cost of removal	511,526			
12	(c) All other debits (3)	0			
13	Total debits	2,044,341	0	0	0
14	Balance in reserve at end of year	41,371,437	90,821	(8,588)	401,776
15					
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE: 2.834%				
17					
18	(2) EXPLANATION OF ALL OTHER CREDITS:				
19	Adjust general ledger balance to sub ledger balance				
20					
21					
22					
23					
24					
25					
26					
27	(3) EXPLANATION OF ALL OTHER DEBITS:				
28					
29	NONE				
30					
31					
32					
33					
34					
35	METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:				
36	(a) Straight Line	()			
37	(b) Liberalized	()			
38	(1) Double declining balance	()			
39	(2) ACRS	()			
40	(3) MACRS	()			
41	(4) Other	()			
42	(c) Both straight line and liberalized	(X)			
43				DOB with change-over to Straight-line (pre 1982 assets)	
44				ACRS (1982 - 1986 assets)	
				Macrs (1987 - 1996 Assets)	

SCHEDULE A-3a

Account 250 - Analysis of Entries in Depreciation Reserve

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserves During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1		I. SOURCE OF SUPPLY PLANT					
2	311	Structures and improvements	0	0	0	0	0
3	312	Collecting and impounding reservoirs	0	0	0	0	0
4	313	Lake, river and other intakes	0	0	0	0	0
5	314	Springs and tunnels	0	0	0	0	0
6	315	Wells	534,437	112,713	(1,299)	(131,548)	514,303
7	316	Supply mains	1,123,466	161,941	0	0	1,285,407
8	317	Other source of supply plant	348,448	473	(2,671)	0	346,250
9		Total source of supply plant	2,006,351	275,127	(3,970)	(131,548)	2,145,960
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	343,749	55,553	(77,824)	(11,023)	310,455
13	322	Boiler plant equipment	0	0	0	0	0
14	323	Other power production equipment	0	0	0	0	0
15	324	Pumping equipment	2,992,461	318,645	(233,528)	(29,060)	3,048,518
16	325	Other pumping plant	183,443	1,358	(156,401)	0	28,400
17		Total pumping plant	3,519,653	375,556	(467,753)	(40,083)	3,387,373
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements	(80,369)	881	82,601	0	3,113
21	332	Water treatment equipment	472,776	146,786	(4,884)	0	614,678
22		Total water treatment plant	392,407	147,667	77,717	0	617,791
23							
24		IV. TRANS. AND DIST. PLANT					
25	341	Structures and improvements	6,989	6,355	0	0	13,344
26	342	Reservoirs and tanks	2,393,228	227,612	(296,700)	(278,884)	2,045,256
27	343	Transmission and distribution mains	16,959,376	1,333,887	(55,386)	(36,676)	18,201,201
28	344	Fire mains	0	0	0	0	0
29	345	Services	6,743,380	415,932	(38,032)	(3,368)	7,117,912
30	346	Meters	1,436,866	222,058	(169,677)		1,489,247
31	347	Meter installation	0	0	0	0	0
32	348	Hydrants	2,299,030	169,504	(16,948)	(1,675)	2,449,911
33	349	Other transmission and distribution plant	0	0	0	0	0
34		Total trans. and distribution plant	29,838,869	2,375,348	(576,743)	(320,603)	31,316,871
35							
36		V. GENERAL PLANT					
37	371	Structures and improvements	331,399	45,556	(399,116)	(9,716)	(31,877)
38	372	Office furniture and equipment	2,125,169	15,777	(52,159)	258	2,089,045
39	373	Transportation equipment	25,112	0	0	0	25,112
40	374	Stores equipment	0	0	0	0	0
41	375	Laboratory equipment	0	0	0	0	0
42	376	Communication equipment	1,278,784	169,832	(110,791)	(9,579)	1,328,246
43	377	Power operated equipment	71,473	47	0	0	71,520
44	378	Tools, shop and garage equipment	245,862	1,860	0	0	247,722
45	379	Other general plant	(205)	0	0	0	(205)
46	381	GIS Mapping	55,716	118,163	0	0	173,879
46	390	Other tangible property	0		0	0	0
47	391	Water plant purchased	0	0	0	0	0
48		Total general plant	4,133,310	351,235	(562,066)	(19,037)	3,903,442
49		Total	39,890,590	3,524,933	(1,532,815)	(511,271)	41,371,437

SCHEDULE A-4
Account 111 - Investments in Associated Companies

Line No.	Class of Security (a)	Name of Issuing Company (b)	Par Value End of Year (c)	Ledger Value End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest and Dividends Received During Year (g)
1							
2							
3	NONE						
4							
5							
6							
7		Totals ¹					

¹ The total should agree with the balance at the end of the year in Account 111 on page 5.

SCHEDULE A-5
Account 112 - Other Investments

Line No.	Name and Description of Property (a)	Balance End of Year (b)
8		
9		
10		
11		
12	NONE	
13		
14		
15		
16	Total	

SCHEDULE A-6
Account 113 - Sinking Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
1						
2						
3						
4						
5	NONE					
6						
7						
8						
9	Totals					

SCHEDULE A-7
Account 114 - Miscellaneous Special Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
10						
11						
12						
13	NONE					
14						
15						
17						
18						
19	Totals					

SCHEDULE A-8
Account 121 - Special Deposits

Name of Depository (a)	Purpose of Deposit (b)	Balance End of Year (c)
NONE		

SCHEDULE A-9
Account 124 - Notes Receivable

Maker (a)	Date of Issue (b)	Date Payable (c)	Balance End of Year (d)	Interest Rate (e)	Interest Accrued During Year (f)	Interest Received During Year (g)
NONE						
Totals						

SCHEDULE A-10
Account 126 - Receivables from Associated Companies

Due from Whom (a)	Amount (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Received During Year (e)
SOUTHWEST WATER COMPANY	4,205,625	variable	362,741	362,741
SOUTHWEST RESOURCE MANAGEMENT	(20,909)			
Totals	4,184,716		362,741	362,741

SCHEDULE A-11
Account 132 - Prepayments

Item (a)	Amount (b)
SEE ATTACHED SCHEDULE	
Totals	375,394

SCHEDULE A-12
Account 133 - Other Current and Accrued Assets

Item (a)	Amount (b)
NONE	
Totals	

SUBURBAN WATER SYSTEMS

DETAIL OF ACCT. 132

A-11

December 31, 2003

DESCRIPTION	ACCT NO.	AMOUNT 12/31/2002
DIRECTORS INSURANCE	13221	0.00
UMBRELLA INSURANCE	13222	0.00
GENERAL LIABILITY INSURANCE	13224	0.00
WORKERS COMP INSURANCE	13225	0.00
BUSINESS AUTO INSURANCE	13226	0.00
PROPERTY INSURANCE	13227	0.00
TRAVEL ACCIDENT INSURANCE	13228	0.00
COUNTY TAX HEALTH LICENSE	13231	5,423.17
FIDUCIARY INSURANCE	13233	0.00
SECURITY DEPOSIT - CENTER CRT BLDG	13235	18,635.96
INTERCOMPANY PAYROLL	13236	0.00
INTERCOMPANY PAYROLL TAXES	13237	0.00
PROPERTY TAXES	13260	334,511.61
SOFTWARE MAINT. & MISC.	13260	16,823.05
TOTAL		375,393.79

SCHEDULE A-13

Accounts 140 and 240 - Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium or Debt, particulars of discount and expense of premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premium, and redemption expense associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 531, Amortization of Debt Discount and Expense, or credited to Account 532, Amortization of Premium on Debt-Credit.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net Premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From - (d)	To - (e)				
1	Series A	15,000,000	857,038	11-18-86	10-01-06	171,408		42,852	128,556
2	Series B	8,000,000	384,066	02-20-92	02-20-22	245,135		12,803	232,332
3	Series C	8,000,000	126,277	10-21-96	10-20-06	48,407		12,628	35,779
4	Total	31,000,000	1,367,381	x x x x x x	x x x x x x	464,950	0	68,283	396,667
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									

SCHEDULE A-14
Account 141 - Extraordinary Property Losses

Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	WRITTEN OFF DURING YEAR		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2		NONE				
3						
4	Total			XXXXXXXXXXXX		0

SCHEDULE A-15
Account 146 - Other Deferred Debits

Line No.	Item (a)	Balance End of Year (b)
5	Miscellaneous	77,253
6	FASB 109, regulatory assets	2,027,699
7		
8		
9		
10	Total	2,104,952

SCHEDULE A-16
Account 150 - Discount on Capital Stock

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off during the year and specify the account charged.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
11		
12	NONE	
13	Total	0

SCHEDULE A-17
Account 151 - Capital Stock Expense

1. Report the balance at end of year of capital stock expense for each class and series of capital stock. respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
14		
15	NONE	
16	Total	0

SCHEDULE A-18
Accounts 200 and 201 - Capital Stock

Line No.	Class of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	Par Value of Stock Authorized by Articles of Incorporation (c)	Number of Shares Outstanding ¹ (d)	Total Par Value ² Outstanding End of Year (e)	Dividends Declared During Year	
						Rate (f)	Amount (g)
1	Common Stock	500,000	5	149,076.00	745,380	5.4513	3,250,556
2	Series A - Preferred (20110)	100,000	50	43,843.83	2,192,192	0.6563	115,090
3	Series B- Preferred (20120)	80,000	50	35,801.50	1,790,075	0.3750	53,703
4							
5							
6	Totals	680,000		228,721.33	4,727,647		3,419,349

¹ After deduction for amount of reacquired stock held by or for the respondent.

² If shares of stock have no par value, show value assigned to stock outstanding.

SCHEDULE A-18a
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number Shares (b)	PREFERRED STOCK	Number Shares (d)
	Name (a)		Name (c)	
7	Southwest Water Company	149,076.0	Southwest Water Company	43,843.8
8			Southwest Water Company	35,801.5
9				
10				
11				
12				
13				
14				
15	Total number of shares	149,076.0	Total number of shares	79,645.3

SCHEDULE A-19
Account 203 - Premiums and Assessments on Capital Stock

Line No.	Class of Stock (a)	Balance End of Year (b)
16	Common Stock	126,550
17		
18		
19		
20		
21		
22		
23		
24	Total	126,550

SCHEDULE A-20

Account 270 - Capital Surplus (For use by Corporations only)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	4,881,844
2	CREDITS (Give nature of each credit and state account charged)	
3		
4		
5	Total credits	
6	DEBITS (Give nature of each debit and state account credited)	
7		
8		
9		
10	Total debits	
11	Balance end of year	4,881,844

SCHEDULE A-21

Account 271 - Earned Surplus (For use by Corporations only)

Line No.	Acct	Account (a)	Amount (b)
12		Balance beginning of year	28,298,217
13		CREDITS	
14	400	Credit balance transferred from income account	5,972,733
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	5,972,733
18		DEBITS	
19	410	Debit balance transferred from income account	
20	411	Dividend appropriations-preferred stock	168,793
21	412	Dividend appropriations-Common stock	3,250,556
22	413	Miscellaneous reservations of surplus	
23	414	Miscellaneous debits to surplus (detail)	
24			
25		Total debits	3,419,349
26		Balance end of year	30,851,601

SCHEDULE A-22

**Account 204 - Proprietary Capital
(Sole Proprietor or Partnership)**

Line No.	Item (a)	Amount (b)
1	Balance Beginning of year	0
2	CREDITS	
3	Net income for year	NONE
4	Additional investments during year	
5	Other credits (detail)	
6		
7	Total credits	0
8	DEBITS	
9	Net loss for year	
10	Withdrawals during year	
11	Other debits (detail)	
12		
13	Total debits	0
14	Balance end of year	0

SCHEDULE A-23

**Account 205 - Undistributed Profits
of Proprietorship or Partnership**

(The use of this account is optional)

Line No.	Item (a)	Amount (b)
15	Balance Beginning of year	0
16	CREDITS	
17	Net income for year	NONE
18	Other credits (detail)	
19		
20	Total credits	0
21	DEBITS	
22	Net loss for year	
23	Withdrawals during year	
24	Other debits (detail)	
25		
26		
27	Total debits	0
28	Balance end of year	0

SCHEDULE A-24
Account 210 - Bonds

Line No.	Class of Bond (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding ¹ Per Balance Sheet (e)	Rate of Interest (f)	Sinking Fund Added in Current Year (g)	Cost of Issuance (h)	Interest Accrued During Year (i)	Interest Paid During Year (i)
1	Series A	11/18/86	10/01/06	15,000,000	3,300,000	8.93%			354,968	375,060
2	Series B	02/20/92	02/20/22	8,000,000	8,000,000	9.09%			727,200	727,200
3	Series C	10/21/96	10/20/06	8,000,000	8,000,000	7.61%			608,796	608,800
4										
5										
6										
7										
8	Totals			31,000,000	19,300,000.00				\$1,690,964	1,711,060

¹ After deduction for amount of reacquired bonds held by or for the respondent.

SCHEDULE A-25
Account 212 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
9					
10	NONE				
11					
12					
13	Totals				

SCHEDULE A-26
Account 213 - Miscellaneous Long Term Debt

Line No.	Nature of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
14								
15								
16	NONE							
17								
18								
19								
20								
21	Totals							

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

SCHEDULE A-27
Securities Issued or Assumed During Year

Line No.	Class of Security (a)	Commission Authorization (b)	Amount Issued During Year (omit cents) (c)	Discount or Premium (d)	Expenses (e)
22					
23	NONE				
24					
25					
26	Totals				

SCHEDULE A-28
Account 220 - Notes Payable

Line No.	In Favor of (a)	Date of Issue (b)	Date of Maturity (c)	Balance End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest Paid During Year (g)
1							
2							
3	NONE						
4							
5							
6							
7							
8							
9	Totals						

SCHEDULE A-29
Account 223 - Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
10	Water Suppliers Mobile Communications	29,507			
11	Southwest Resource Management	20,909			
12					
13					
14	Totals	50,416			

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

Line No.	Description (a)	Balance End of Year (b)
15	Volume Related	2,107,781
16	Accrued Salaries	492,580
17	WIP Retention	261,424
18	KPMG Audit Fees	96,971
19	Legal Costs	131,814
20	Consulting fees	25,000
21	Unclaimed Refund Contract Payments	8,181
22	Franchise Fees Payable	523,655
23	Medical/Dental Accrual	19,815
24	Other	572
25		
26		
27		
28		
29		
30		
31	Total	3,667,793

SCHEDULE A-31

Account 228 - Accrued and Prepaid Taxes

1. This schedule is intended to give particulars of the combined prepaid and accrued tax accounts and to show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the material on which the tax was levied was charged.

2. Taxes, paid during the year and charged direct to final accounts, that is, not charged to prepaid or accrued taxes, should be included in the schedule. Enter the amounts both in columns (d) and (e). The balancing of the schedule is not affected by the inclusion of these taxes.

3. Taxes charged during the year, column (d), include taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to prepaid taxes for proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.

4. If any tax covers more than 1 year, the required information of all columns should be shown separately for each year.

5. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.

6. See schedule entitled "TAXES CHARGED DURING YEAR," page 32, for a distribution of taxes charged, column (d) according to utility departments and accounts.

7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (See Instruction 5)	BALANCE BEGINNING OF YEAR			Taxes Charged During Year (d)	Paid During Year (e)	Adjustments (f)	BALANCE END OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)	Taxes Accrued (Account 228) (g)				Prepaid Taxes (Incl. In Acct. 132) (h)	
1	Taxes on real and personal property (228-1)	515,099	314,332	718,437	704,639	11,408	540,305	334,512	
2	State corporation franchise tax (228-2)	564,880		827,046	564,882		827,044		
3	State unemployment insurance tax			14,844	14,844				
4	Other state and local taxes			0	0				
5	Federal unemployment insurance tax			6,539	6,539				
6	Fed. ins. contr. act (old age retire.)			403,406	403,406				
7	Other federal taxes (228-2)								
8	Federal income taxes (228-2)	2,079,297		2,492,814	2,079,295		2,492,816		
10	Subtotal	3,159,276	314,332	4,463,086	3,773,605	11,408	3,860,165	334,512	
11									
12	Accrued payroll tax (228-3)	9,473		12,241	9,473		12,241		
13									
14	Totals	3,168,749	314,332	4,475,327	3,783,078	11,408	3,872,406	334,512	

(1) Represents property tax liability as of 12/31/03

SCHEDULE A-32
Account 241 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXXXXXX	5,613,971
2	Additions during year	XXXXXXXXXXXXXXXXXX	197,612
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXXXXXX	5,811,583
4	Charges during year	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	46,248	XXXXXXXXXXXXXXXXXX
7	Proportionate cost basis	164,097	XXXXXXXXXXXXXXXXXX
8	Unclaimed refund payments to State of California	9,076	XXXXXXXXXXXXXXXXXX
9	Total refunds	XXXXXXXXXXXXXXXXXX	219,421
10	Transfers to Acct 265, Contributions in Aid of Construction	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
12	Due to present worth discount	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 265	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
14	Securities Exchanged for Contracts (enter detail below)	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
15	Subtotal-Charges during year	XXXXXXXXXXXXXXXXXX	219,421
16	Balance end of year	XXXXXXXXXXXXXXXXXX	5,592,162

If stock, bonds, etc., were issued in exchange for construction advance contracts give details below:

Line No.	Type of Security or Other Consideration (Other than Cash) (a)	Dividend or Interest Rate (b)	PUC Decision Number (c)	Amount Issued (d)
17	Common stock			0
18	Preferred stock			0
19	Bonds			0
20	Other (describe)			0
21				
22				

SCHEDULE A-33
Account 242 - Other Deferred Credits

Line No.	Item (a)	Balance End of Year (b)
1	Deferred Revenue (CIAC)	86,093
2	Developer Deposits	7,385,732
3	Long-term AFC & Payables Unclaimed	18,485
4	Deferred ITC	608,065
5	FASB 109 Federal Reg Liability	320,504
6	FASB 109 State Reg Liability	8,893
6a	Balancing Account 2002	72,571
6b	Balancing Account 2003	197,116
6c	Balancing Account	(2,329,020)
6d	Total	6,368,439

SCHEDULE A-34
Account 254 to 258, Inclusive-Miscellaneous Reserves

Line No.	Account (a)	Balance Beginning of Year (b)	DEBITS		CREDITS		Balance End of Year (g)
			Nature of Items (c)	Amount (d)	Account Charged (e)	Amount (f)	
7	#254	112,894	Write-offs	101,015	125 & 775	79,090	90,969
8							
9	#257	0	Reserve Amortization	0	795 & 791	0	0
10							
11	#258	8,983,496	Def. Income taxes	167,710	228 & 242	1,014,214	9,830,000
12							
13	Totals	9,096,390		268,725		1,093,304	9,920,969

SCHEDULE A-35
Account 265 - Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid 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), and to the estimated amount of depreciation accrued to January 1, 1955 (column f), shall be written off through charges to this account and credits to Account 250 - Reserve for Depreciation of Utility Plant over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account 250. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.

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 Service at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	6,478,084	6,375,283	102,801	0	0
2	Add: Credits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX
3	Contributions received during year	1,947,123	1,947,123		XXXXXX XX	XXXXXX XX
4	Other credits*					
5	Total credits	1,947,123	1,947,123	0	0	0
6	Deduct: Debits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX
7	Depreciation charges for year	354,950	354,950	XXXXXX XX	XXXXXX XX	XXXXXX XX
8	Nondepreciable donated property retired		XXXXXX XX		XXXXXX XX	XXXXXX XX
9	Other debits*		0			
10	Total debits	354,950	354,950	0	0	0
11	Balance end of year	8,070,258	7,967,456	102,801	0	0

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

SCHEDULE B-1
Account 501 - Operating Revenues

Line No.	Acct	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
1		I. WATER SERVICE REVENUES			
2	601	Metered sales to general customers 601-11 Res	32,215,428	29,223,348	2,992,080
3		601.1 Commercial sales	6,772,988	6,353,101	419,887
4		601.2 Industrial sales	502,488	472,153	30,335
5		601.3 Sales to public authorities	2,521,901	2,643,078	(121,177)
6		Sub-total	42,012,805	38,691,680	3,321,125
7		601.4 Metered flooding	25,103	36,103	(11,000)
8	602	Unmetered sales to general customers	0		0
8a		602.1 Commercial sales	0		0
9		602.2 Industrial sales	0		0
10		602.3 Sales to public authorities	0		0
11		Sub-total	25,103	36,103	(11,000)
12	603	Sales to irrigation customers			0
13		603.1 Metered sales			0
14		603.2 Unmetered sales			0
15		Sub-total	0	0	0
16	604	Private fire protection service	571,676	504,155	67,521
17	605	Public fire protection service			0
18	606	Sales to other water utilities for resale	14,408	12,557	1,851
19	607	Sales to governmental agencies by contracts			0
20	608	Interdepartmental sales			0
21	609	Other sales or service			0
22		Sub-total	586,084	516,712	69,372
23		Total other water revenues	42,623,992	39,244,495	3,379,497
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	110,560	120,032	(9,472)
26	612	Rent from water property	9,800	9,800	0
27	613	Interdepartmental rents			0
28	614	Other water revenues	51,969	53,850	(1,881)
29		Total other water revenues	172,329	183,682	(11,353)
30	501	Total operating revenues	42,796,321	39,428,177	3,368,144

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

Line No.	Location (a)	Operating Revenues (b)
31	Operations not within incorporated cities 1	
32	Los Angeles County	10,523,615
33	Orange County	171,185
34		
35	Operations within incorporated territory	
36	City or town of West Covina	12,766,143
37	City or town of La Puente	2,169,773
38	City or town of Glendora	808,850
39	City or town of Industry	761,775
40	City or town of Walnut	1,861,640
41	City or town of Whittier	5,670,513
42	City or town of La Mirada	7,840,286
43	City or town of Covina	119,830
44	City or town of La Habra	59,915
45	City or town of Buena Park	42,796
46	Total	42,796,321

1 Should be segregated to operating districts.

SCHEDULE B-2

Account 502 - Operating Expenses - Class A,B, and C Water Utilities

Respondent should use the group of accounts applicable to its class

Line No.	Acct	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
1		I. SOURCE OF SUPPLY EXPENSE						
2		Operation						
3	701	Operation supervision and engineering	A	B				0
4	701	Operation supervision, labor and expenses			C			0
5	702	Operation labor and expenses	A	B				0
6	703	Miscellaneous expenses	A			689,247	(297,653)	986,900
7	704	Purchased water	A	B	C	15,093,094	17,431,697	(2,338,603)
7a	70401	Contributions from cooperating respondents	A	B	C	(3,983,111)	(4,354,227)	371,116
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B				0
10	706	Maintenance of structures and facilities			C			0
11	707	Maintenance of structures and improvements	A	B				0
12	708	Maintenance of collect and impound reservoirs	A					0
13	708	Maintenance of source of supply facilities		B				0
14	709	Maintenance of lake, river and other intakes	A					0
15	710	Maintenance of springs and tunnels	A					0
16	711	Maintenance of wells	A			67,434	80,848	(13,414)
17	712	Maintenance of supply mains	A					0
18	713	Maintenance of other source of supply plant	A	B				0
19		Total source of supply expense				11,866,664	12,860,665	(994,001)
20		II. PUMPING EXPENSES						
21		Operation						
22	721	Operation supervision and engineering	A	B				0
23	721	Operation supervision labor and expenses			C			0
24	722	Power production labor and expense	A					0
25	722	Power production labor, expenses and fuel		B				0
26	723	Fuel for power production	A					0
27	724	Pumping labor and expenses	A	B		293,999	312,248	(18,249)
28	725	Miscellaneous expenses	A			1,900	634	1,266
29	726	Fuel or power purchased for pumping	A	B	C	1,926,292	2,350,669	(424,378)
30		Maintenance						
31	729	Maintenance of supervision and engineering	A	B				0
32	729	Maintenance of structures and equipment			C			0
33	730	Maintenance of structures and improvements	A	B		15,458	11,777	3,681
34	731	Maintenance of power production equipment	A	B				0
35	732	Maintenance of pumping equipment	A	B		273,718	324,320	(50,602)
36	733	Maintenance of other pumping plant	A	B				0
37		Total pumping expenses				2,511,367	2,999,648	(488,281)

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Continued)

Respondent should use the group of accounts applicable to its class

Line No.	Acct	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in {Brackets} (d)
			A	B	C			
1		III. WATER TREATMENT EXPENSES						
2		Operation						
3	741	Operation supervision and engineering	A	B			0	
4	741	Operation supervision, labor and expenses			C		0	
5	742	Operation labor and expenses	A			287,288	397,924	(110,636)
6	743	Miscellaneous expenses	A	B		19,884	19,884	0
7	744	Chemicals and filtering materials	A	B		117,228	96,031	21,197
8		Maintenance						
9	746	Maintenance of supervision and engineering	A	B				0
10	746	Maintenance of structures and equipment			C			0
11	747	Maintenance of structures and improvements	A	B				0
12	748	Maintenance of water treatment equipment	A	B		51,777	68,880	(17,103)
13		Total water treatment expenses				476,177	582,719	(106,542)
14		IV. TRANS. AND DIST. EXPENSES						
15		Operation						
16	751	Operation supervision and engineering	A	B				0
17	751	Operation supervision, labor and expenses			C			0
18	752	Storage facilities expenses	A			114,540	103,830	10,710
19	752	Operation labor and expenses		B				0
20	753	Transmission and distribution lines expenses	A			83,851	86,118	(2,267)
21	754	Meter expenses	A			2,225	905	1,320
22	755	Customer installations expenses	A			108	221	(113)
23	756	Miscellaneous expenses	A					0
24		Maintenance						
25	758	Maintenance supervision and engineering	A	B				0
26	758	Maintenance of structures and plant			C			0
27	759	Maintenance of structures and improvements	A	B				0
28	760	Maintenance of reservoirs and tanks	A	B		13,378	8,246	5,132
29	761	Maintenance of trans. and distribution mains	A			839,952	826,297	13,655
30	761	Maintenance of mains		B				0
31	762	Maintenance of fire mains	A					0
32	763	Maintenance of services	A			192,213	187,804	4,409
33	763	Maintenance of other trans. and distribution plant		B				0
34	764	Maintenance of meters	A			147,062	156,495	(9,433)
35	765	Maintenance of hydrants	A			41,632	41,213	419
36	766	Maintenance of miscellaneous plant	A					0
37		Total transmission and distribution expenses				1,434,961	1,411,129	23,832

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Concluded)

Respondent should use the group of accounts applicable to its class

Line No.	Acct	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
1		V. CUSTOMER ACCOUNT EXPENSES						
2		Operation						
3	771	Supervision	A	B			0	
4	771	Superv., meter read, other customer acct. expenses			C		0	
5	772	Meter reading expenses	A	B		179,886	183,324	(3,438)
6	773	Customer records and collection expenses	A			980,653	943,974	36,679
7	773	Customer records and accounts expenses		B				0
8	774	Miscellaneous customer accounts expenses	A					0
9	775	Uncollectible accounts	A	B	C	76,811	71,764	5,047
10		Total customer account expenses				1,237,350	1,199,062	38,288
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B				0
14	781	Sales expenses			C			0
15	782	Demonstrating and selling expenses	A					0
16	783	Advertising expenses	A			28,963	0	28,963
17	784	Miscellaneous sales expenses	A					0
18	785	Merchandising, jobbing and contract work	A					0
19		Total sales expenses				28,963	0	28,963
20		VII. ADMIN. AND GENERAL EXPENSES						
21		Operation						
22	791	Administrative and general salaries	A	B	C	2,373,813	2,159,180	214,633
23	792	Office supplies and other expenses	A	B	C	829,470	681,449	148,021
24	793	Property insurance	A			397,746	336,432	61,314
25	793	Property insurance, injuries and damages		B	C			0
26	794	Injuries and damages	A			1,100,662	759,214	341,448
27	795	Employees' pensions and benefits	A	B	C	1,944,790	1,165,021	779,769
28	796	Franchise requirements	A	B	C	556,027	461,270	94,757
29	797	Regulatory commission expenses	A	B	C	878,782	546,610	332,172
30	798	Outside services employed	A			293,636	505,827	(212,191)
31	798	Miscellaneous other general expenses		B				0
32	798	Miscellaneous other general operation expenses			C			0
33	799	Miscellaneous general expenses	A			43,046	56,649	(13,603)
34		Maintenance						
35	805	Maintenance of general plant	A	B	C	359,032	221,937	137,095
36		Total administrative and general expenses				8,777,004	6,893,589	1,883,415
37		VIII. MISCELLANEOUS						
38	811	Rents	A	B	C	196,726	196,605	121
39	812	Administrative expenses transferred—Cr.	A	B	C	(641,521)	(593,274)	(48,247)
40	813	Duplicate charges - Cr.	A	B	C			0
40a	901	Charges by associated companies, clearing	A			1,981,600	1,981,600	(0)
40b	902	Stores expense, clearing	A					0
40c	903	Transportation expense, clearing	A			477,954	472,711	5,243
40d	906	Tools and work equipment, clearing	A			14,993	20,590	(5,597)
41		Total miscellaneous				2,029,752	2,078,232	(48,481)
42		Total operating expenses				28,362,238	28,025,044	337,194

SCHEDULE B-3
Account 506 - Property Losses Chargeable to Operations

Line No.	Description (a)	Amount
1		
2		
3	NONE	
4		
5		
6		
7		
8		

SCHEDULE B-4
Account 507 - Taxes Charged During Year

- This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.
- Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.
- The accounts to which taxes charged were distributed should be shown in columns (c) to (f). Show both the utility department and number of account charged except for taxes capitalized.
- For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.
- The total taxes charged as shown in column (b) should agree with the amounts shown by column (d) of schedule entitled "Accrued and Prepaid Taxes," page 17.
- Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (b)	DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)			
			Water (Account 507) (c)	Nonutility (Account 521) (d)	Other (Account----) (e)	Capitalized (Omit Account) (f)
9	Taxes on real and personal property (Acc'l 228-1)(604-507)	718,437	709,738		8,699	(SC 604-PUC 527)
10	State corp. franchise tax (PUC 50710)	827,046	824,576		2,470	(PUC 258)
11	State unemployment insurance tax (Source code 428)	14,844	14,844			
12	Other state and local taxes (Source code 430)	0	0			
13	Federal unemployment insurance tax (Source code 432)	6,539	6,539			
14	Federal insurance contributions act (Source code 436)	403,406	403,406			
15	Payroll taxes capitalized (Acct 661-507)		(33,472)			33,472
16	Federal income tax (630-5072)	2,492,814	3,084,329		(591,515)	(PUC 258)
17						
18	Accrued payroll taxes (PUC 228-3)	12,241		12,241		
19						
20						
21						
22	Totals	4,475,327	5,009,960	0	(568,105)	33,472

SCHEDULE B-5

Reconciliation of Reported Net Income With Taxable 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 in-

come as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment or sharing of the consolidated tax among the group members.

3. Show taxable year if other than calendar year from----to----

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 7.....	5,972,733
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additional	
3	deductions for non-taxable income):	
4		
5	Federal income taxes	3,084,329
6		
7	State income taxes	824,576
8		
9	Taxable income not recorded on books:	
10	Income from deferral of gains on sales of properties	180,832
11		
12	Tax deductions not recorded on books:	
13	State tax (Priv. 1999) California	(563,031)
14	2003 Stock Options Exercised	-
15	2004 Property Taxes	(343,236)
16	Flow-through depreciation	(241,911)
17	Normalized depreciation - pre 1994	(1,681,117)
18	Repayment of advances including gross up	(86,774)
19		
20	Book income not recorded on return:	
21	Amortization of deferred revenue associated with contributions	(15,160)
22		
23	Book expenses not deducted on return	398,887
24		
25	Federal taxable income	7,530,128
26		
27	Federal tax rate (34%)	2,560,244
28		
29	Amortization of ITC on '82-90 Assets	(39,971)
30		
31		
32	Tax per 2003 return	2,520,273
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		

SCHEDULE B-6
Account 521 - Income from Nonutility Operations

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1	Baldwin Park Operable Unit reimbursement for interest	55,464		(55,464)
2	Fine imposed by California Public Utilities Commission decision 03-05-078		1,000.00	1,000
3				
4				
5	Totals	55,464	1,000	(54,464)

SCHEDULE B-7
Account 526 - Miscellaneous Nonoperating Revenue

Line No.	Description (a)	Amount (b)
6	Misc. non-operating expenses (revenue)	(256,103)
7		
8		
9		
10		
11		
12		
13	Total	(256,103)

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

Line No.	Description (a)	Amount (b)
14	Ad Valorem Tax Expense	(8,699)
15		
16		
17		
18	Total	(8,699)

SCHEDULE B-9
Account 535 - Other Interest Charges

Line No.	Description (a)	Amount (b)
19	Interest Expense on Customer Deposit Accounts	7
20	Interest Income for Deposit in Escrow	(2,128)
21		
22	Total	(2,121)

SCHEDULE B-10
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
23	Donations	70,996
24	Political Contributions	4,500
25	Other Expenses	98,112
26		
27	Total	173,608

SCHEDULE C-1
Engineering and Management Fees and Expenses, Etc., During Year

	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership or person covering supervision and/or management of any department of the respondents affairs such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.	
Line No.		
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?
2		
3		Answer (Yes or No) NO
4	2	Name of each organization or person that was a party to such a contract or agreement.
5		
6	3	Date of original contract or agreement.
7	4	Date of each supplement or agreement.
8		Note: File with the report a copy of every contract, agreement, supplement or amendment mentioned above
9		unless a copy of the instrument in due form has been furnished in which case a definite reference to the report
10		of the respondent relative to which it was furnished will suffice.
11	5	Amount of compensation paid during the year for supervisor or management
12	6	To whom paid
13	7	Nature of payment (salary, traveling expenses, etc.)
14	8	Amounts paid for each class of service
15		
16	9	Basis for determination of such amounts
17		
18	10	Distribution of payments:
19		(a) Charged to operating expenses
20		(b) Charged to capital accounts
21		(c) Charged to other accounts
22		Total
23	11	Distribution of charges to operating expenses by primary accounts.
24		Number and Title of Account
25		
26		
27		
28		Total
29	12	What relationship, if any, exists between respondent and supervisory and/or
30		managing concerns?

SCHEDULE C-2
Compensation of Individual Proprietor or Partners

Do operating expenses include any charge for owner's compensation in the form of salary or wages, rental allowances, or for the use of a private automobile. (If the word "none" truly states the fact it should be given as the answer to this inquiry.)

Line No.	Nature of Allowance (a)	Account Charged (b)	Amount (c)
1			
2			
3	NONE		
4			
5			
6	Total		

SCHEDULE C-3
Employees and Their Compensation
 (Charged to Account 502 - Operating Expenses - Schedule B-2)

Line No.	Classification (a)	Number at End of Year (b)	Total Salaries and Wages Paid During Year (c)
7	Employees - Source of supply	1	3,931
8	Employees - Pumping	11	571,431
9	Employees - Water treatment	3	149,845
10	Employees - Transmission and distribution	16	838,974
11	Employees - Customer account	26	909,718
12	Employees - Sales		
13	Employees - Administrative	49	2,734,857
14	General officers		
15	General office		
16	Totals	106	5,208,756

SCHEDULE C-4
Record of Accidents During Year

Line No.	Date of Accident (a)	TO PERSONS				Total Number (f)	TO PROPERTY			
		Employees on Duty		Public			Company		Other (1)	
		Killed (b)	Injured (c)	Killed (d)	Injured (e)		Number (g)	Amount (h)	Number (i)	Unknown/Pending (j)
17	Various	0	2	0	0	2	16	27,557	2	0
18										
19										
20	Totals	0	2	0	0	2	16	27,557	2	0

(1) Two claims filed on consumer property-pending by insurance company

**SCHEDULE C-5
Expenditures for Political Purposes**

Hereunder report all direct or indirect expenditures incurred or made to elect or defeat a candidate for public office; or to place any measure on the ballot; at any election, or to keep it from being placed on the ballot at any election, or to support or defeat any measure on the ballot; at an election, or to support or defeat any proposed legislation, also name the account or accounts to which the expenditures herein mentioned have been charged. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

1	
2	
3	SEE ATTACHED SCHEDULE
4	
5	TOTAL \$4,500

**SCHEDULE C-6
Loans to Directors, or Officers, or Shareholders**

Show hereunder the amount of loans to directors, or officers, or shareholders and the terms and conditions of such loans. Among other things, show the name of each director, or officer, or shareholder, receiving a loan or loans, the amount of each loan, the rate of interest payable on such loan or loans, the maturity date of each loan or loans, the security given and the date when the shareholders authorized each loan. If such authorization was given. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

6	
7	
8	NONE
9	
10	
11	

**SCHEDULE C-7
Bonuses Paid to Executives & Officers**

Show hereunder the amount of bonuses paid to Executives and Officers, both cash and non-cash. List by the name of each Executive or Officer receiving the bonus, the dollar value of that bonus, and a description of the bonus if it is non-cash.

12	Mike O. Quinn	\$	51,425
13	Reginald A. Stone		23,272
14	Daniel N. Evans		31,254
15	Paul S. Carver		20,431
16	Robert L. Kelly		20,099
17	John A. Brettl		13,939
18	Don King		13,233
19	Koby Y. Cohen		17,370
20	Garry M. Hofer		10,435
	TOTAL	\$	201,458

**SUBURBAN WATER SYSTEMS
SCHEDULE C-5
POLITICAL CONTRIBUTIONS
2003**

COMMITTEE TO ELECT GALYLE.PACHECO	\$3,000.00
ED CHAVEZ FOR ASSEMBLY	300.00
JUDY CHU FOR ASSEMBLY 2004	200.00
KEN MANNING FOR CITY COUNCIL	1,000.00
	<u>\$4,500.00</u>

**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	----- NONE -----								
4									
5									
WELLS							Annual Quantities Pumped(Unit) ²	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	Depth to Water	Pumping Capacity(Unit) ²			
6									
7									
8	----- SEE ATTACHED -----								
9									
10									
TUNNELS AND SPRINGS				FLOW IN(Unit) ²		Annual Quantities Used(Unit) ²	Remarks		
Line No.	Designation	Location	Number	Maximum	Minimum				
11									
12									
13	----- NONE -----								
14									
15									
Purchased Water for Resale									
16	Purchased from								
17	Annual quantities purchased						(Unit chosen) ²		
18	----- SEE ATTACHED -----								
19									

- * State ditch, pipe line, reservoir, etc. with name if any.
- 1 Average depth to water surface below ground surface
- 2 The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallons or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second, in gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.

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

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
20	A. Collecting Reservoirs			
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution Reservoirs			
25	Concrete	7	17,869,491 Gallons	
26	Earth			
27	Wood			
28	C. Tanks			
29	Wood			
30	Metal	23	50,967,456 Gallons	
31	Concrete			
32	Totals	30	68,836,947 Gallons	

Suburban Water Systems

Wells

Schedule D-1 2003

<u>Plant and Location</u>	<u>Dimensions of Casing</u>	<u>Water Depth</u>	<u>Capacity in G. P. M</u>	<u>Acre Feet Pumped</u>
San Jose Hills				
121 W1	16"	232' PWL	2,410	1,993.15
126 W2 Rio Verde	18"	198' SWL	1,147	0.00
139 W2 La Puente CO.	26"	162' SWL	2,510	0.01
139 W4 La Puente CO.	20"	162' SWL	2,944	0.00
139 W5 La Puente CO.	18"	164' SWL	3,300	0.00
139 W6 La Puente CO.	18"	164' SWL	3,806	0.09
140 W3 La Grande	18"	128' SWL	1,107	0.12
140 W4 La Grande	18"	134' SWL	2,657	0.00
140 W5 La Grande	18"	144' PWL	1,805	266.87
142 W2	16"	212' PWL	2,955	738.41
147 W3 Jones	18"	282' PWL	1,400	1,971.40
Total Acre Feet San Jose Hills				4,970.05

<u>Plant and Location</u>	<u>Dimensions of Casing</u>	<u>Water Depth</u>	<u>Capacity in G. P. M</u>	<u>Acre Feet Pumped</u>
Whittier \ La Mirada				
201 W2 Bartolo	14"	86' PWL	1,554	2,221.93
201 W4 Bartolo	16"	94' PWL	2,656	3,683.23
201 W5 Bartolo	16"	146' PWL	2,324	3,195.97
201 W6 Bartolo	24"	145' PWL	2,282	2,549.05
409 W2 Canary	20"	217' PWL	1,500	1,269.45
Total Acre Feet Whittier \ La Mirada				12,919.63
Total Acre Feet Company				17,889.68

Purchased Water for Resale

<u>San Jose Hills</u>	<u>Acre feet Purchased</u>
Azusa Light & Water	3,036.13
City of Covina	40.92
City of Glendora	1,125.02
Covina Irrigating Company	3,415.16
La Puente Water	0.00
Main Basin Project Water	1,190.77
Rowland County Water	345.06
Upper Basin MWD	14,567.79
Valencia Heights Water	0.03
Valley County Water	0.00
Walnut Valley Water	<u>4,862.21</u>
Total Acre Feet San Jose	28,583.09

<u>Whittier \ La Mirada</u>	<u>Acre feet Purchased</u>
California Domestic Water Company	10,204.54
Central Basin MWD	1,692.75
City of Whittier	1.25
La Habra Water	0.54
San Gabriel Water	26.37
Southern Cal Water	<u>(0.74)</u>
Total Acre Feet Whittier \ La Mirada	11,924.71

Total Acre Feet Company **40,507.80**

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES
 Capacities in Cubic Feet per Second or Miner's Inches (State Which) _____

Line No.		0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume								
3	Lined Conduit				----- NONE -----				
4									
5	Totals								

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded
 Capacities in Cubic Feet per Second or Miner's Inches (State Which) _____

Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lined Conduit				----- NONE -----				
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			*****SEE ATTACHED****						
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos									
19	Welded steel									
20	Galvanized									
21	Other (specify) Ductile Iron									
22	Totals									

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
								21 TO 29	30 & OVER	
23	Cast Iron									0
24	Cast Iron (cement lined)									
25	Concrete									
26	Copper									0
27	Riveted Steel									
28	Standard Screw			*****SEE ATTACHED****						
29	Screw or Welded Casing									
30	Cement-Asbestos									
31	Welded Steel									
32	Galvanized									0
33	Other (specify) Ductile Iron									
34	Totals									

SUBURBAN WATER SYSTEMS
 2003 PUC REPORT SCHEDULE D-3 B.
 TOTAL COMPANY

SIZE	10"	12"	14"	16"	18"	20"	21-29"	30"-OVER	TOTAL ALL SIZES
CAST IRON									37,048
CAST IRON (CEMENT LINED)									0
CEMENT-ASBESTOS	55,840	441,298	2,275	85,253	11,670	12,664	787	4,270	3,576,536
CONCRETE		2,398		5,218	77	1,819			9,623
COPPER									173
DUCTILE IRON	10	1,577		30,248	2,963	2,454	17,872	30,652	88,807
RIVETED STEEL									0
GALVANIZED	1,111	4,137					4,315		2,833
HD PE									10,042
PLASTIC									68,155
PVC	1,033	84,746		5,981		5,015			305,226
STEEL									0
TRANSITE									0
WELDED STEEL	16,557	57,599	13,587	37,404	4,903	8,714	30,073	27,919	356,078
BLUE BRUTE									0
TOTALS	74,551	591,755	15,862	164,104	19,613	30,666	53,047	62,841	4,454,521

SIZE	1"	1 1/2"	2"	2 1/2"	3"	4"	5"	6"	8"
CAST IRON			14,288					16,972	5,788
CAST IRON (CEMENT LINED)									
CEMENT-ASBESTOS					894	508,162	337	1,142,417	1,310,669
CONCRETE									111
COPPER	155	18							
DUCTILE IRON						13		741	2,277
RIVETED STEEL									
GALVANIZED	86	690	2,015			42			
HD PE			479						
PLASTIC	546		14,911			42,512		10,186	
PVC			2,866			9,477		49,399	146,709
STEEL									
TRANSITE									
WELDED STEEL	213	1,345	6,730	300	708	24,355	3,137	37,675	84,859
BLUE BRUTE									
TOTALS	1,000	2,053	27,001	300	1,602	598,849	3,474	1,257,390	1,550,413

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

Classification	Metered - Dec. 31		Flat Rate - Dec. 31	
	Prior Year	Current Year	Prior Year*	Current Year
Commercial (including domestic)	73,985	74,146		
Industrial	38	38		
Public Authorities	505	501		
Irrigation	8	8		
Other (specify) Constr Wtr	63	56		
Other Util (GA)	8	8		
Govt Agcy/Resale	0			
Sub-total	74,607	74,757		
Private Fire Connections	613	627		
Private Fire Hydrants			57	59
Total	75,220	75,384	57	59

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

Size	Meters	Services
5/8 x 3/4-in	7,519	XXXXXXXXXXXXXXXXXXXX
3/4-in	51,554	
1-in	12,370	
1 1/2-in	1,509	
2-in	1,447	
3-in	205	
4-in	116	
6-in	21	
8-in	10	
Other	6	
Total	74,757	

**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.	10
2. Used, before repair	83
3. Used, after repair	14
4. Found fast, requiring billing adjustment	1
B. Number of Meters in Service Since Last Test:	
1. Ten years or less.	49,107
2. More than 10, but less than 15 years	17,785
3. More than 15 years	610

SCHEDULE D-7 2003

Water Delivered to Metered Customers by Months and Years in.....(Unit chosen)1

CCF

Classification of Service	During Current Year												Sub-Total	Total	Total Prior Year
	Jan.	Feb.	Mar.	Apr.	May	June									
Commercial/Res	1,364,340	1,518,900	1,198,626	1,479,062	1,617,903	1,902,974						9,081,805	21,354,897	22,664,114	
Industrial	20,596	30,939	28,257	31,686	33,700	35,053						180,231	381,468	412,771	
Public Authorities	57,150	59,164	46,598	58,759	83,950	113,061						418,682	1,327,009	1,558,480	
Irrigation	19,643	38,025	22,293	34,322	20,803	36,358						171,444	400,073	427,412	
Other (specify) Const	(418)	(462)	545	278	729	340						1,012	9,938	20,968	
Govt Agency/Resale	219	616	136	245	353	465						2,034	5,503	4,511	
Total	1,461,530	1,647,182	1,296,455	1,604,352	1,757,438	2,088,251						9,855,208	23,478,888	25,088,256	
Classification of Service	During Current Year												Sub-total	Total	Total
	July	Aug.	Sept.	Oct.	Nov.	Dec.									
Commercial/Res	2,133,863	2,460,872	2,412,644	2,095,502	1,749,904	1,420,307						12,273,092	21,354,897	22,664,114	
Industrial	32,702	38,005	39,170	31,788	33,504	26,068						201,237	381,468	412,771	
Public Authorities	160,271	177,694	207,644	166,989	120,507	75,222						908,327	1,327,009	1,558,480	
Irrigation	20,362	56,086	35,316	72,815	0	44,050						228,629	400,073	427,412	
Other (specify) Const	762	682	1,309	505	4,966	702						8,926	9,938	20,968	
Govt Agency/Resale	646	643	892	690	312	286						3,469	5,503	4,511	
Total	2,348,606	2,733,982	2,696,975	2,368,289	1,909,193	1,566,635						13,623,680	23,478,888	25,088,256	

! 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.....

SCHEDULE E-1
Balancing & Memorandum Accounts

Line No.	Description (a)	Authorized by Decision or Resolution No. (b)	Beginning of Year Balance (c)	Offset Revenues (d)	Offset Expenses (e)	Interest (f)	Surcharge (g)	Surcredit (h)	End of Year Balance (i)
1	2001 Reserve Accounts	D.02-12-055	(\$2,329,020)	\$0	\$0	\$0	\$0	\$0	(\$2,329,020)
2	2002 Reserve Accounts	D.03-06-072	\$72,571	\$0	\$0	\$0	\$0	\$0	\$72,571
3	2003 Reserve Accounts	D.03-06-072	\$0	\$401,596	(\$43,327)	\$451	\$0	\$0	\$358,720 *
4	Rate Case Expense	D.03-05-078	(\$251,755)	\$0	\$189,820	\$0	\$0	\$0	(\$61,935)
5	Extraordinary Event Memo Acct.	Letter	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	DHS Fee Memo acct.	D.03-05-078	(\$297,704)	\$0	\$40,979	\$0	\$256,725	\$0	\$0
7	Water Contamination Litigation Memo Acct.	W-4094	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8									

Note 1: For Columns d, e, f, g, & h, provide those amounts booked in the current year.

Note 2: The detail for each individual account includes the Beginning of Year Balance, End of Year Balance, each Offset Expense adjustment during the year, each Offset Revenue adjustment during the year, each Surcharge adjustment during the year, each Surcredit adjustment during the year, and the decision or resolution number associated with each item of detail.

* We recorded \$197,116 as of 12/31/04. The balance of \$161,604 will be recorded in 3/31/2004.

DECLARATION

Before Signing, Please Check to See That All Schedules Have Been Completed

I, the undersigned

JOHN A. BRETTL

Officer, Partner or Owner

SUBURBAN WATER SYSTEMS

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, 2003 to and including DECEMBER 31, 2003

(date)

SIGNED

John A. Brett

(date)

Title VICE PRESIDENT, FINANCE AND C.F.O.

Date

3/31/04

Index

	<i>PAGE</i>		<i>PAGE</i>
Accidents	38	Operating expenses.....	31-33
Acres irrigated	43	Operating revenues.....	30
Advances from associated companies	24	Organization and control	4
Advances for construction	27	Other deferred credits.....	28
Assets	5	Other deferred debits.....	19
Assets in special funds.....	15	Other income	7
Balance Sheet.....	5-6	Other investments.....	14
Balancing & Memorandum Accounts.....	45	Other physical property.....	10
Bonds.....	23	Payables to associated companies	25
Bonuses.....	39	Political expenditures.....	39
Capital stock.....	20	Population served	43
Capital surplus	21	Premium on capital stock	20
Contributions in aid of construction	29	Prepayments.....	17
Depreciation and amortization reserves	12	Proprietary capital.....	22
Declaration	46	Purchased water for resale.....	40
Discount on capital stock.....	19	Rate Base.....	11
Discount and expense on funded debt.....	18	Receivables from associated companies..	17
Dividends declared.....	20	Revenues apportioned to cities.....	30
Earned surplus.....	21	Securities issued or assumed.....	24
Employees and their compensation.....	38	Service connections.....	42
Engineering and management fees.....	37	Sinking funds.....	15
Franchises.....	9	Sources of supply and water developed..	40
Income account.....	7	Special deposits	16
Income deductions.....	7	Status with Board of Health	44
Investments in associated companies	14	Stockholders.....	20
Liabilities.....	6	Storage facilities.....	40
Loans to officers, directors, or shareholders.	39	Taxes.....	34
Management compensation.....	38	Transmission and distribution facilities....	41
Meters and services	42	Unamortized debt discount and expense..	18
Miscellaneous long-term debt	24	Unamortized premium on debt.....	18
Miscellaneous reserves.....	28	Undistributed profits.....	22
Miscellaneous special funds.....	15	Utility plant.....	8
Non-Regulated Selected Financial Data	2a-3a	Utility plant in service.....	8-9
Notes payable.....	25	Utility plant held for future use.....	10