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CLASS B and C
 WATER UTILITIES

U# _____

2013
 ANNUAL REPORT
 OF

RURAL WATER COMPANY

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

P.O. BOX 1826

PISMO BEACH, CA 93448

ZIP

TO THE
 PUBLIC UTILITIES COMMISSION
 STATE OF CALIFORNIA
 FOR THE YEAR ENDED DECEMBER 31, 2013

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2014

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GENERAL INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2014**, with:

CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov

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 Page 34, must be signed by an authorized 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. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2013, through December 31, 2013. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR ALL 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.

GENERAL INFORMATION

1. Name under which utility is doing business: RURAL WATER COMPANY

2. Official mailing address:
P.O. BOX 1826 PISMO BEACH CA 93448

3. Name and title of person to whom correspondence should be addressed:
CHARLES M. BAKER Telephone: 805-481-8432

4. Address where accounting records are maintained:
330 JAMES WAY #130 PISMO BEACH CA 93449

5. Service Area (Refer to district reports if applicable) ARROYO GRANDE, CA

6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
Name: N/A Telephone: _____
Address: _____

7. OWNERSHIP. Check and fill in appropriate line:

<input type="checkbox"/>	Individual (name of owner)	_____
<input type="checkbox"/>	Partnership (name of partner)	_____
<input type="checkbox"/>	Partnership (name of partner)	_____
<input type="checkbox"/>	Partnership (name of partner)	_____
<input checked="" type="checkbox"/>	Corporation (corporate name)	<u>RURAL WATER COMPANY</u>
	Organized under laws of (state)	<u>CALIFORNIA</u> Date: <u>5/14/1982</u>

Principal Officers:

Name: <u>CHARLES M. BAKER</u>	Title: <u>PRES, SEC'Y, TREAS</u>
Name: <u>KATHLEEN M. BAKER</u>	Title: <u>VICE PRES.</u>
Name: _____	Title: _____
Name: _____	Title: _____

8. Names of associated companies: CYPRESS RIDGE SEWER COMPANY

9. Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition: N/A

Name: _____	Date: _____
Name: _____	Date: _____
Name: _____	Date: _____
Name: _____	Date: _____

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

11. List Name, Grade, and License Number of all Licensed Operators:
SHANNON SWEENEY GRADE III LICENSE #28675; SETH HUTCHINSON GRADE II LICENSE #1-28592;
PATRICK STEBBINS GRADE I LICENSE #28920; ERIC SWEENEY GRADE I LICENSE #34973

12. This annual report was prepared by:

Name of firm or consultant: SCHIMANDLE & ASSOCIATES, LLP

Address of firm or consultant: P.O. BOX 430
ARROYO GRANDE, CA 93421

Phone Number of firm or consultant: (805) 481-2280

BALANCE SHEET AND CAPITALIZATION DATA

Calendar Year 2013

NAME OF UTILITY RURAL WATER COMPANY Telephone: (805) 481-8432

PERSON RESPONSIBLE FOR THIS REPORT CHARLES M. BAKER

	<u>1/1/2013</u>	<u>12/31/2013</u>	<u>Average</u>
BALANCE SHEET DATA			
1 Intangible Plant	1,600	1,600	1,600
2 Land and Land Rights	88,455	88,455	88,455
3 Depreciable Plant	4,421,391	4,472,339	4,446,865
4 Gross Plant in Service	4,511,446	4,562,394	4,536,920
5 Less: Accumulated Depreciation	(2,217,360)	(2,351,816)	(2,284,588)
6 Net Water Plant in Service	2,294,086	2,210,578	2,252,332
7 Water Plant Held for Future Use	-	-	-
8 Construction Work in Progress	271,205	271,205	271,205
9 Materials and Supplies	-	-	-
10 Less: Advances for Construction	()	()	-
11 Less: Contribution in Aid of Construction	(1,969,427)	(1,853,113)	(1,911,270)
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	-
13 Net Plant Investment	<u>595,864</u>	<u>628,670</u>	<u>612,267</u>
CAPITALIZATION			
14 Common Stock	5,000	5,000	5,000
15 Proprietary Capital (Individual or Partnership)	-	-	-
16 Paid-in Capital	231,243	246,951	239,097
17 Retained Earnings	(294,867)	(222,324)	(258,596)
18 Common Stock and Equity (Lines 14 through 17)	(58,624)	29,627	(14,499)
19 Preferred Stock	-	-	-
20 Long-Term Debt	-	-	-
21 Notes Payable	-	-	-
22 Total Capitalization (Lines 18 through 21)	<u>(58,624)</u>	<u>29,627</u>	<u>(14,499)</u>

INCOME STATEMENT AND OTHER DATA

Calendar Year 2012

NAME OF UTILITY RURAL WATER COMPANY

Telephone: (805) 481-8432

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	<u> </u>
24	Fire Protection Revenue	<u> </u>
25	Irrigation Revenue	<u> </u>
26	Metered Water Revenue	<u>973,483</u>
27	Total Operating Revenue	<u>973,483</u>
28	<u>Operating Expenses</u>	<u>832,534</u>
29	Depreciation Expense (Composite Rate: 3%)	<u>18,142</u>
30	Amortization and Property Losses	<u> </u>
31	Property Taxes	<u>3,199</u>
32	Taxes Other Than Income Taxes	<u>18,538</u>
33	Total Operating Revenue Deduction Before Taxes	<u>872,413</u>
34	California Corp. Franchise Tax	<u>8,939</u>
35	Federal Corporate Income Tax	<u>19,592</u>
36	Total Operating Revenue Deduction After Taxes	<u>900,944</u>
37	Net Operating Income (Loss) - California Water Operations	<u>72,539</u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>4</u>
39	Income Available for Fixed Charges	<u>72,543</u>
40	Interest Expense	<u>-</u>
41	Net Income (Loss) Before Dividends	<u>72,543</u>
42	Preferred Stock Dividends	<u>-</u>
43	Net Income (Loss) Available for Common Stock	<u>72,543</u>
 OTHER DATA		
44	Refunds of Advances for Construction	<u> </u>
45	Total Payroll Charged to Operating Expenses	<u>191,780</u>
46	Purchased Water	<u> </u>
47	Power	<u>200,959</u>

	<u>Active Service Connections</u>	(Exc. Fire Protect.)	<u>168</u>	
		Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	<u>939</u>	<u>958</u>	<u>949</u>
49	Flat Rate Service Connections	<u>0</u>	<u>0</u>	<u>0</u>
50	Total Active Service Connections	<u>939</u>	<u>958</u>	<u>949</u>

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each companies Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2013: N/A

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row Number	Description of Non-Tariffed Goods/Services	Active or Passive	Total Revenue Derived from Non-tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-tariffed Goods/ Services (by account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-tariffed Goods/ Services (by account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-tariffed Goods/ Services (by account)	Regulated Asset Account Number

**SCHEDULE A
COMPARATIVE BALANCE SHEET
Assets and Other Debits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
1		UTILITY PLANT			
2	101	Water Plant in Service (Excluding SDWBA & Prop 50)	A-1 & A-1a	4,562,394	4,511,446
3	101.1	Water Plant in Service - SDWBA	A-1 & A-1b	-	-
4	101.2	Water Plant in Service - Prop 50	A-1 & A-1c	-	-
5	103	Water Plant Held for Future Use	A-1 & A-1d	-	-
6	104	Water Plant Purchased or Sold	A-1	-	-
7	105	Construction Work in Progress - Water Plant	A-1	271,205	271,205
8	105.1	Construction Work in Progress - SDWBA	A-1		
9	105.2	Construction Work in Progress - Prop 50	A-1		
10		Total Utility Plant		4,833,599	4,782,651
11	108	Accumulated Depreciation of Water Plant	A-3	(2,351,816)	(2,217,360)
12	108.1	Accumulated Amortization of SDWBA loan	A-3	-	-
13	108.2	Reserve for Depreciation of Utility Plant - Prop 50	A-3	-	-
14	114	Water Plant Acquisition Adjustments	A-1	-	-
15		Total Amortization and Adjustments		(2,351,816)	(2,217,360)
16		Net utility plant		2,481,783	2,565,291
17					
18		INVESTMENTS			
19	121	Non-utility Property and Other Assets			
20	122	Accumulated Depreciation of Non-utility Property	A-3		
21		Net non-utility property			
22	123	Investments in Associated Companies			
23	124	Other Investments			
24		Total Investments			
25					
26		CURRENT AND ACCRUED ASSETS			
27	131	Cash		48,139	97,901
28	131.3	Cash - Miscellaneous Special Deposits - Prop 50		-	-
29	132	Special Accounts		41,051	20,951
30	141	Accounts Receivable - Customers		3,315	(153)
31	142	Receivables from Associated Companies		12,880	12,412
32	143	Accumulated Provision for Uncollectible Accounts			
33	151	Materials and Supplies			
34	174	Other Current Assets			
35		Total current and accrued assets		105,385	131,111
36					
37	180	Deferred Charges	A-5		
38					
39		Total assets and deferred charges		2,587,168	2,696,402

SCHEDULE A
COMPARATIVE BALANCE SHEET
Liabilities and Other Credits

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
40		CORPORATE CAPITAL AND SURPLUS			
41	201	Common Stock	A-6	5,000	5,000
42	204	Preferred Stock	A-6		
43	211	Other Paid-in Capital	A-8	246,951	231,243
44	215	Retained Earnings	A-9	(222,324)	(294,867)
45		Total corporate capital and retained earnings		29,627	(58,624)
46					
47		PROPRIETARY CAPITAL			
48	218	Proprietary Capital	A-10		
49	218.1	Proprietary Drawings			
50		Total proprietary capital			
51					
52		LONG TERM DEBT			
53	224	Long-term Debt	A-11		
54	225	Advances from Associated Companies	A-12		
55					
56		CURRENT AND ACCRUED LIABILITIES			
57	231	Accounts Payable		62,539	52,436
58	232	Short-term Notes Payable		-	-
59	233	Customer Deposits		-	-
60	235	Payables to Associated Companies	A-13	302,054	302,054
61	236	Accrued Taxes		22,657	26,413
62	237	Accrued Interest		-	-
63	241	Other Current Liabilities	A-14	15,000	15,000
64		Total current and accrued liabilities		402,250	395,903
65					
66		DEFERRED CREDITS			
67	252	Advances for Construction	A-15	97,750	73,750
68	253	Other Credits		90,865	214,406
69	255	Accumulated Deferred Investment Tax Credits	A-16		
70	282	Accumulated Deferred Income taxes - ACRS Depreciation	A-16		
71	283	Accumulated Deferred Income taxes - Other	A-16	113,563	101,540
72		Total deferred credits		302,178	389,696
73					
74		CONTRIBUTIONS IN AID OF CONSTRUCTION			
75	266.0	Contributions - Publicly Grant-Funded Plant - Prop 50			
76	266.1	Accumulated Amortization of Contributions - Prop 50			
77		Net Contributions - Public Grant-Funded Plant - Prop 50			
78	271	Contributions in Aid of Construction	A-17	3,926,786	3,926,786
79	272	Accumulated Amortization of Contributions		(2,073,673)	(1,957,359)
80		Net Contributions in Aid of Construction		1,853,113	1,969,427
81		Total liabilities and other credits		2,587,168	2,696,402

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water Plant in Service (Excluding SDWBA and Prop 50)	4,511,446	50,948			4,562,394
2	101.1	Water Plant In Service - SDWBA					
3	101.2	Water Plant In Service - Prop 50					
4	103	Water plant held for future use					
5	104	Water plant purchased or sold					
6	105	Construction Work in Progress - Water Plant	271,205	-			271,205
7	105.1	Construction Work in Progress - SDWBA					
8	105.2	Construction Work in Progress - Prop 50					
9	114	Water Plant Acquisition Adjustments					
10		Total utility plant	4,782,651	50,948			4,833,599

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

**SCHEDULE A-1a
Account No. 101 - Water Plant in Service (Excluding SDWBA & Prop 50)**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant	1,600				1,600
3	303	Land	88,455				88,455
4		Total non-depreciable plant	90,055	-			90,055
5							
6		DEPRECIABLE PLANT					
7	304	Structures	77,751				77,751
8	307	Wells	578,207	9,756			587,963
9	317	Other water source plant	-				-
10	311	Pumping equipment	688,431	18,020			706,451
11	320	Water treatment plant	34,920				34,920
12	330	Reservoirs, tanks and sandpipes	404,210				404,210
13	331	Water mains	1,970,006	1,239			1,971,245
14	333	Services and meter installations	214,766				214,766
15	334	Meters	76,222	3,504			79,726
16	335	Hydrants	317,896				317,896
17	339	Other equipment	48,331	18,429			66,760
18	340	Office furniture and equipment	10,651				10,651
19	341	Transportation equipment	-				-
20		Total depreciable plant	4,421,391	50,948			4,472,339
21		Total water plant in service	4,511,446	50,948			4,562,394

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

SCHEDULE A-1b
Account No. 101.1 - Water Plant in Service - SDWBA

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible Plant					
3	303	Land					
4		Total non-depreciable plant					
5				N/A			
6		DEPRECIABLE PLANT					
7	304	Structures					
8	307	Wells					
9	317	Other Water Source Plant					
10	311	Pumping Equipment					
11	320	Water Treatment Plant					
12	330	Reservoirs, Tanks and Sandpipes					
13	331	Water Mains					
14	333	Services and Meter Installations					
15	334	Meters					
16	335	Hydrants					
17	339	Other Equipment					
18	340	Office Furniture and Equipment					
19	341	Transportation Equipment					
20		Total depreciable plant					
21		Total water plant in service					

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

SCHEDULE A-1c
Account No. 101.2 - Water Plant in Service - Prop 50

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible Plant					
3	303	Land					
4		Total non-depreciable plant					
5				N/A			
6		DEPRECIABLE PLANT					
7	304	Structures					
8	307	Wells					
9	317	Other Water Source Plant					
10	311	Pumping Equipment					
11	320	Water Treatment Plant					
12	330	Reservoirs, Tanks and Sandpipes					
13	331	Water Mains					
14	333	Services and Meter Installations					
15	334	Meters					
16	335	Hydrants					
17	339	Other Equipment					
18	340	Office Furniture and Equipment					
19	341	Transportation Equipment					
20		Total depreciable plant					
21		Total water plant in service					

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

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1		
2	N/A	
3		
4		
5		
6		
7		
8		
9		
10	Total	

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

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property will be placed in Service (c)	Balance End of Year (d)
1				
2	N/A			
3				
4				
5				
6				
7				
8				
9				
10	Total			

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

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

Line No.	Item (a)	Account 108	Account 108.1	Account 108.2	Account 122
		Water Plant Excluding SDWBA & Prop 50 (b)	SDWBA Loans (c)	Prop 50 (d)	Non-utility Property (e)
1	Balance in reserves at beginning of year	2,217,360			
2	Add: Credits to reserves during year				
3	(a) Charged to Account No. 403 (Footnote 1)	18,142			
4	(b) Charged to Account No 272	116,314			
5	(c) Charged to clearing accounts				
6	(d) Charged to Account No. 407				
7	(e) Charged to Account No. 266.1				
8	(f) Salvage recovered				
9	(g) All other credits (Footnote 2)				
10	Total Credits	134,456			
11	Deduct: Debits to reserves during year				
12	(a) Book cost of property retired				
13	(b) Cost of removal				
14	(c) All other debits (Footnote 3)				
15	Total debits	-			
16	Balance in reserve at end of year	2,351,816			
17					
18	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			3 %	
19					
20	(2) EXPLANATION OF ALL OTHER CREDITS:				
21	N/A				
22					
23					
24					
25					
26	(3) EXPLANATION OF ALL OTHER DEBITS:				
27	N/A				
28					
29					
30					
31					
32	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION				
33	(a) Straight line				
34	(b) Liberalized				
35	(1) Sum of the years digits				
36	(2) Double declining balance				
37	(3) Other				
38	(c) Both straight line and liberalized			X	

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 Excluding Costs of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures	DETAIL BY ACCOUNT IS NOT AVAILABLE - SEE ATTACHED				
2	307	Wells	DEPRECIATION SCHEDULE.				
3	317	Other water source plant					
4	311	Pumping equipment					
5	320	Water treatment plant	2,200,983	134,456		2,335,439	
6	330	Reservoirs, tanks and sandpipes				-	
7	331	Water mains				-	
8	333	Services and meter installations				-	
9	334	Meters				-	
10	335	Hydrants				-	
11	339	Other equipment				-	
12	340	Office furniture and equipment	16,377			16,377	
13	341	Transportation equipment				-	
14		Total	2,217,360	134,456	-	2,351,816	

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

Line No.	Item (a)	Amount (b)
1		
2	N/A	
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 debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of Long-Term Debts (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									
2	N/A								
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 STOCK	5/14/1982		\$10	500	5000		-
2								
3								
4								
5								
6								
7								
8							Total	-

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK Name (a)	Number of Shares (b)	PREFERRED STOCK Name (c)	Number of Shares (d)
1	CHARLES M. BAKER	500		
2				
3				
4				
5				
6				
7				
8				
9				
10	Total number of shares	500	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	ADDITIONAL PAID IN CAPITAL	246,951
2		
3		
4		
5		
6		
7		
8	Total	246,951

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	(294,867)
2	CREDITS	
3	Net income	72,543
4	Prior period adjustments	-
5	Other credits (detail) ROUNDING	-
6	Total Credits	72,543
7		
8	DEBITS	
9	Net losses	-
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	-
13	Other debits (detail)	-
14	Total Debits	-
15	Balance end of year	(222,324)

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

N/A

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

SCHEDULE A-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)	Interest Rate (g)	Interest Accrued During Year (h)	Sinking Fund (l)	Interest Paid During Year (j)
1	N/A									
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	N/A				
2					
3					
4					
5					
6	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	NIPOMO COMMUNITIES SERVICES DISTRICT	302,054	0	0	0
2					
3					
4					
5					
6	Totals	302,054			

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

Line No.	Description (a)	Balance End of Year (b)
1	ACCRUED SALARIES	15,000
2		
3		
4		
5	Total	15,000

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year		73,750
2	Additions during year		24,000
3	Subtotal - Beginning balance plus additions during year		97,750
4	Charges during year:		
5	Refunds		
6	Percentage of revenue basis		
7	Proportionate cost basis		
8	Present worth basis		
9	Total refunds		
10	Transfers to Acct. 271, Contributions in aid of Construction		
11	Due to expiration of contracts		
12	Due to present worth discount		
13	Total transfers to Acct. 271		
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - charges during year		-
16	Balance end of year		97,750

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	FEDERAL CORPORATE INCOME TAXES			83,979
2	STATE CORPORATE INCOME TAXES			29,584
3				
4				
5	Total			113,563

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 non-depreciable 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 non-depreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such non-depreciable 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.	Description	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 ² (e)	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 ³ (f)
			Depreciable (c)	Non-Depreciable ¹ (d)		
1	Balance beginning of year	3,926,786	3,838,331	88,455		
2	Add: Credits to account during year	-				
3	Contributions revived during year	-				
4	Other credits*	-				
5	Total credits	-				
6	Deduct: Debits to Account during year	-				
7	Depreciation charges for year	-				
8	Non-depreciable donated property retired	-				
9	Other debits*	-				
10	Total debits	-				
11	Balance end of year	3,926,786	3,838,331	88,455		

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

**SCHEDULE B
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
		UTILITY OPERATING INCOME		
1	400	Operating Revenues	B-1	973,483
		OPERATING REVENUE DEDUCTIONS		
2	401	Operating expenses	B-2	832,534
3	403	Depreciation expense	A-3	18,142
4	407	SDWBA loan amortization expense	pages 7 & 8	-
5	408	Taxes other than income taxes	B-3	21,737
6	409	State corporate income tax expense	B-3	8,939
7	410	Federal corporate income tax expense	B-3	19,592
8		Total operating revenue deductions		900,944
9		Total utility operating income		72,539
		OTHER INCOME AND DEDUCTIONS		
10	421	Non-utility income	B-5	4
11	426	Miscellaneous non-utility expense	B-5	
12	427	Interest expense	B-6	
13		Total other income and deductions		4
14		Net income		72,543

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 (Parenthesis) (d)
		WATER SERVICE REVENUES			
1	460	Unmetered water revenue			
2		460.1 Single - family residential			
3		460.2 Commercial and multi-residential			
4		460.3 Large water users			
5		460.5 Safe Drinking Water Bond Surcharge			
6		460.9 Other unmetered revenue			
7		Sub-total			
8	462	Fire protection revenue			
9		462.1 Public fire protection			
10		462.2 Private fire protection			
11		Sub-total			
12	465	Irrigation revenue			
13	470	Metered water revenue			
14		470.1 Single-family residential	922,016	849,329	72,687
15		470.2 Commercial and multi-residential	34,736	50,526	(15,790)
16		470.3 Large water users			-
17		470.5 Safe Drinking Water Bond Surcharge			-
18		470.9 Other metered revenue	16,515	14,494	2,021
19		Sub-total	973,267	914,349	58,918
20		Total water service revenues	973,267	914,349	58,918
					-
21	480	Other water revenue	216	2,156	(1,940)
22		Total operating revenues	973,483	916,505	56,978

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 (Parenthesis) (d)
		PLANT OPERATION AND MAINTENANCE EXPENSES			
		VOLUME RELATED EXPENSES			
1	610	Purchased water	-	-	-
2	615	Power	200,959	190,547	10,412
3	616	Other volume related expenses	16,318	12,705	3,613
4		Total volume related expenses	217,277	203,252	14,025
					-
		NON-VOLUME RELATED EXPENSES			
5	630	Employee labor	145,780	122,112	23,668
6	640	Materials	-	-	-
7	650	Contract work	40,877	35,316	5,561
8	660	Transportation expenses	6,245	1,207	5,038
9	664	Other plant maintenance expenses	187,447	159,911	27,536
10		Total non-volume related expenses	380,349	318,546	61,803
11		Total plant operation and maintenance exp.	597,626	521,798	75,828
					-
		ADMINISTRATIVE AND GENERAL EXPENSES			
12	670	Office salaries	-	-	-
13	671	Management salaries	46,000	40,000	6,000
14	674	Employee pensions and benefits	13,697	14,431	(734)
15	676	Uncollectible accounts expense	-	-	-
16	678	Office services and rentals	18,180	17,726	454
17	681	Office supplies and expenses	20,661	33,100	(12,439)
18	682	Professional services	103,705	106,636	(2,931)
19	684	Insurance	20,236	19,362	874
20	688	Regulatory commission expense	12,334	7,412	4,922
21	689	General expenses	95	292	(197)
22		Total administrative and general expenses	234,908	238,959	(4,051)
23	800	Expenses capitalized	-	-	-
24		Net administrative and general expense	234,908	238,959	(4,051)
25		Total operating expenses	832,534	760,757	71,777

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	3,199	3,140	
2	State corporate franchise tax	8,939	10,744	
3	State unemployment insurance tax	658	1,344	
4	Other state and local taxes	2,961	355	
5	Federal unemployment insurance tax	247	504	
6	Federal insurance contributions act	14,672	12,172	
7	Other federal taxes	-	-	
8	Federal income taxes	19,592	26,227	
9	Total	50,268	54,486	

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 amount 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	72,543
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4	DISALLOWED TRAVEL & ENTERTAINMENT	47
5	ACCRUED MANAGEMENT SALARY	15,000
6	DEFERRED TAXES	27,731
7		
8		
9		
10	FEDERAL VS. BOOK DEPRECIATION	(40,223)
11	CUSTOMER SURCREDIT BILLED	(119,541)
12	INTEREST INCOME SEPARATELY STATED ON PASS-THRU ENTITY	(4)
13	PRIOR YEAR ACCRUED MANAGEMENT SALARY	(15,000)
14	Federal tax net income (loss)	(59,447)
15	Computation of tax:	
16	N/A - SUBCHAPTER S CORPORATE EARNINGS TAXED AT SHAREHOLDER LEVEL	
17		

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

Line No.	Description (a)	Revenue Acct. 421 (b)	Expense Acct. 426 (c)
1	N/A		
2			
3			
4			
5	Total		

SCHEDULE B-6
Account No. 427 - Interest Expense

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

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

Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Charged to Expense (c)	Salaries Charged to Plant Accounts (d)	Total Salaries and Wages Paid (e)
1	630	Employee Labor	4	145,780		145,780
2	670	Office salaries				
3	671	Management salaries	2	46,000		46,000
4						
5						
6		Total	6	191,780	-	191,780

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.	N/A							
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.	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: <u> X </u> No: _____ (If the answer is in the affirmative, make appropriate replies to the following questions)*										
2.	Name of each organization or person that was a party to such a contract or agreement. <u>SEE ATTACHED</u>										
3.	Date of original contract or agreement: <u>SEE ATTACHED</u>										
4.	Date of each supplement or agreement: <u>SEE ATTACHED</u>										
5.	Amount of compensation paid during the year for supervision or management: \$ <u>46,000</u>										
6.	To whom paid: <u>CHARLES M. BAKER & KATHLEEN BAKER</u>										
7.	Nature of payment (salary, traveling expenses, etc.): <u>SALARY</u>										
8.	Amounts paid for each class of service: _____										
9.	Basis for determination of such amounts: <u>MONTHLY SALARY</u>										
10.	Distribution of payments: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 20%; text-align: right;">Amount</th> </tr> </thead> <tbody> <tr> <td>(a) Charged to operating expenses</td> <td style="text-align: right;">\$ <u>46,000</u></td> </tr> <tr> <td>(b) Charged to capital amounts</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>(c) Charged to other account</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ <u>46,000</u></td> </tr> </tbody> </table>		Amount	(a) Charged to operating expenses	\$ <u>46,000</u>	(b) Charged to capital amounts	\$ _____	(c) Charged to other account	\$ _____	Total	\$ <u>46,000</u>
	Amount										
(a) Charged to operating expenses	\$ <u>46,000</u>										
(b) Charged to capital amounts	\$ _____										
(c) Charged to other account	\$ _____										
Total	\$ <u>46,000</u>										
11.	Distribution of charges to operating expenses by primary accounts: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 20%; text-align: right;">Amount</th> </tr> </thead> <tbody> <tr> <td>Number and Title of Account: <u>671 - MANAGEMENT SALARY</u></td> <td style="text-align: right;">\$ <u>46,000</u></td> </tr> <tr> <td>_____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>_____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ <u>46,000</u></td> </tr> </tbody> </table>		Amount	Number and Title of Account: <u>671 - MANAGEMENT SALARY</u>	\$ <u>46,000</u>	_____	\$ _____	_____	\$ _____	Total	\$ <u>46,000</u>
	Amount										
Number and Title of Account: <u>671 - MANAGEMENT SALARY</u>	\$ <u>46,000</u>										
_____	\$ _____										
_____	\$ _____										
Total	\$ <u>46,000</u>										
12.	What relationship, if any, exists between respondent and supervisory and/or managing concerns? <u>MANAGEMENT SALARIES PAID TO SOLE-SHAREHOLDER AND OFFICERS OF RURAL WATER COMPANY</u>										
* 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	N/A								
2									
3									
4									
5									

WELLS						Pumping Capacity (Unit) ²	Annual Quantities Pumped(Unit) ²	Remarks
Line No.	At Plant (Name or Number)	Location	No.	Dimensions	Depth to Water ¹			
6	EL CAMPO ROAD		2		281	57 GPM	45141	HCF
7	FOWLER LANE		3		105	223 GPM	46167	HCF
8	EL CAMPO ROAD		4		225	99 GPM	36115	HCF
9	EL CAMPO ROAD		5			0 GPM	INACTIVE	
10	SEE ATTACHED SCH							

TUNNELS AND SPRINGS				FLOW IN (Unit) ²		Annual Quantities Pumped(Unit) ²	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11	N/A						
12							
13							
14							
15							

Purchased Water for Resale	
16	Purchased from N/A
17	Annual Quantities purchased (Unit chosen) ¹
18	
19	

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

SCHEDULE D-2
Description of Storage Facilities

Line No	Type	No.	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs			
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal	5	1,222,000 G.	
12	Concrete			
13	Total	5	1,222,000 G	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume								
3	Lined conduit								
4									
5	Total								

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Continued)									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	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								
9									
10	Total								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING										
Line No.	Description	1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast iron									
12	Cast iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos								7324	11700
19	Welded steel									
20	Wood									
21	Other (specify)			350			5540		18395	102479
22	Total			350			5540		25719	114179

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - (Continued)										
Line No.	Description	10	12	14	16	18	20	Other Sizes (Specify)	Total All Sizes	
23	Cast Iron									
24	Cast iron (cement lined)									
25	Concrete									
26	Copper									
27	Riveted steel									
28	Standard screw									
29	Screw or welded casing								0	
30	Cement - asbestos								19024	
31	Welded steel									
32	Wood									
33	Other (specify)	8950							135714	
34	Total	980							154738	

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

Size	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
5/8 x 3/4 - in	135	137		
3/4 - in	751	758		
1 - in	40	48		
1.5 - in	1	4		
2 - in	12	11		
- in				
- in				
- in				
Other				
PUBLIC FIRE HYDRANTS			168	168
Total	939	958	168	168

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

Size	Meters	Services
5/8 x 3/4 - in	137	
3/4 - in	759	900
1 - in	48	43
1.5 - in	4	2
2 - in	11	17
- in		
- in		
- in		
Other		
Total	959	962

**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 . . .	_____
2. Used, before repair	_____
3. Used, after repair	_____
4. Found fast, requiring billing adjustment	_____
B. Number of Meters in Service Since Last Test	
1. Ten years or less	831
2. More than 10, but less than 15 years	103
3. More than 15 years	25

**SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in 100 CUBIC FT (Unit Chosen):**

	During Current Year							
	January	February	March	April	May	June	July	Subtotal
Single-family residential	11,054	14,360	14,678	19,294	30,428	29,433	30,901	150,148
Commercial and Multi-residential	310	424	528	897	1,351	1,373	1,553	6,436
Large water users								-
Public authorities	-	-	-	-	-	-	-	-
Irrigation								-
Other (specify) HOMEOWNER ASSOC	177	178	235	218	287	387	497	1,979
Total	11,541	14,962	15,441	20,409	32,066	31,193	32,951	158,563
	During Current Year							Total
	August	September	October	November	December	Subtotal	Prior Year	
Single-family residential	38,917	30,795	30,684	31,658	21,942	153,996	293,052	
Commercial and Multi-residential	1,760	1,375	1,393	1,329	824	6,681	10,491	
Large water users	-	-	-	-	-	-	-	
Public authorities	-	-	-	-	-	-	-	
Irrigation	-	-	-	-	-	-	-	
Other (specify) HOMEOWNER ASSOC	1,611	732	848	774	310	4,275	5,514	
Total	42,288	32,902	32,925	33,761	23,076	164,952	309,057	

¹ 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: _____ 1903

SCHEDULE D-8
Status With State Board of Public Health

1. Has the State or Local Health Department reviewed the sanitary condition of your water system during the past year? YES	
2. Are you having routine laboratory tests made of water served to your consumers? YES	
3. Do you have a permit from the State Board of Public Health for operation of your water system? YES	
4. Date of permit: AUGUST 2010	
5. If permit is "temporary", what is the expiration date?	
6. If you do not hold a permit, has an application been made for such permit?	7. If so, on what date?

SCHEDULE D-9
Statement of Material Financial Interest

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

PERSONS WITH MATERIAL FINANCIAL INTEREST - REFER TO LIST OF PRINCIPAL OFFICERS ON PAGE 4, LINE 7

- CHARLES M. BAKER IN HIS CAPACITY AS 100% SHAREHOLDER AND CORPORATE PRESIDENT RETAINED THE SERVICES OF LICENSED OPERATORS (SEE PAGE 4, LINE 11), RETAINED OR APPROVED THE RETENTION OF VARIOUS INDIVIDUALS OR COMPANIES TO PROVIDE VARIOUS SERVICE, MAINTENANCE, CONSULTING, BOOKKEEPING, ENGINEERING, LEGAL AND ACCOUNTING SERVICES.

- MR. BAKER IS ALSO THE 100% SHAREHOLDER AND CORPORATE PRESIDENT OF CYPRESS RIDGE SEWER CO., A REGULATED PUBLIC SEWER UTILITY ALSO LOCATED IN SAN LUIS OBISPO COUNTY.

THERE IS CURRENTLY A PENDING ASSET SALE BEFORE THE COMMISSION BETWEEN RURAL WATER COMPANY AND GOLDEN STATE WATER COMPANY.

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent: N/A

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

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

\$ _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total		

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)**

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

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

FACILITIES FEES DATA

Class B: Please provide the following information relating to Facilities Fees for districts or subsidiaries serving 2,000 or fewer customers for the calendar year (per D.91-04-068).

Class C: Please provide the following information relating to Facilities Fees collected for the calendar year, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: RABOBANK
 Address: PO BOX 1845 EL CENTRO CA 92244-1845
 Account Number: 9348128917
 Date Opened: DECEMBER, 2010

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ 20,951
Deposits during the year	20,000
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	\$ 40,951

4. Reason or Purpose of Withdrawal from this bank account: N/A

DECLARATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned _____ **CHARLES M. BAKER**
Officer, Partner, or Owner (Please Print)

of _____ **RURAL WATER COMPANY**
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2013, through December 31, 2013.

President
Title (Please Print)

Charles M Baker
Signature

805-485-4150
Telephone Number

4-14-14
Date

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RURAL WATER COMPANY
ATTACHMENT TO 2013 ANNUAL PUC REPORT

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

<u>Payee</u>	<u>Nature of payments</u>	<u>Amount</u>	<u>Account Charged</u>
Glatfelter Public Practice	Insurance	6,928	684
Abalone Coast Analytical Inc.	Testing/Analysis	29,215	650
Multi-Task Business Services	Bookkeeping/Customer service	50,584	682
Frank B. & Associates	CPUC Consulting	37,425	682
Water Specialty Consulting Serv	Monthly standby	10,320	650

SCHEDULE D-1 WELLS (continued)

<u>Location</u>	<u>No.</u>	<u>Diam. Inch</u>	<u>Depth to water feet</u>	<u>Pumping Capacity (g.p.m.)</u>	<u>Annual quantities pumped</u>	
El Campo Road	6	8	240	29	15,146	HCF
El Campo Road	7	8	223	76	48,497	HCF
Mesa View Drive	8	12	89	244	28,682	HCF
Mesa View Drive	9	8	111	157	33,549	HCF
Cypress Ridge	4	10	234	67	19,144	HCF
Cypress Ridge	5	8	230	49	20,005	HCF
Cypress Ridge	6	8	265	63	22,278	HCF
Cypress Ridge	7	8	276	59	31,580	HCF
Cypress Ridge	8	8	196	0	inactive	

SCHEDULE A - BALANCE SHEET DETAIL

THE AMOUNT ON SCHEDULE A - LIABILITIES AND OTHER CREDITS, LINE 68, ACCOUNT 253 - OTHER CREDITS, INCLUDES THE REMAINING BALANCE OWING ON THE W-4883 CREDIT.

W-4883 CREDIT	\$ 312,423
CREDIT BILLED 2012	(108,861)
CREDIT BILLED 2013	(119,541)
REMAINING BALANCE	<u>\$ 84,021</u>

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95-3752939

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FORM 1120S																
FURNITURE AND FIXTURES																
19	FAX MACHINE	12/23/92		444							444	444	S/L	5		0
39	PRINTER	7/08/99		268							268	268	S/L	5		0
40	COMPUTER EQUIPMENT	5/17/99		845							845	845	S/L	5		0
41	FILE CABINET,PRINTER CART	9/30/99		175							175	175	S/L	5		0
42	COMPUTER	10/28/99		2,915							2,915	2,915	S/L	5		0
52	COMPUTER	11/25/02		1,811							1,811	1,811	S/L	5		0
53	BILLING SOFTWARE	1/21/02		8,793							8,793	8,793	S/L	5		0
54	SOFTWARE UPGRADE	8/21/02		500							500	500	S/L	5		0
55	SOFTWARE UPGRADE	11/21/02		626							626	626	S/L	5		0
TOTAL FURNITURE AND FIXTURE				16,377		0	0	0	0	0	16,377	16,377				0
MACHINERY AND EQUIPMENT																
7	WATER PLANT-NON CIAC	7/01/89		23,163							23,163	16,848	S/L	33		702
8	WATER PLANT-NON CIAC	10/01/89		16,501							16,501	11,625	S/L	33		500
11	NEW METER ENGINEERIN	1/10/90		1,200							1,200	828	S/L	33		36
12	SERVICES & METERS	7/21/90		1,000							1,000	673	S/L	33		30
16	HYDRANTS	7/13/92		3,485							3,485	2,173	S/L	33		106
17	SERVICES & METERS	4/15/92		699							699	436	S/L	33		21
18	TANKS	8/27/92		1,070							1,070	651	S/L	33		32
24	WATER MAIN	3/31/93		1,470							1,470	888	S/L	33		45
25	PUMPING EQUIPMENT	7/30/93		1,475							1,475	874	S/L	33		45
26	PUMPING EQUIPMENT	3/05/93		2,538							2,538	1,527	S/L	33		77
27	(3) HYDRANTS	7/30/93		5,000							5,000	2,951	S/L	33		152

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28	WELL #5	1/01/95		12,276							12,276	6,696	S/L	33		372
29	HYDRANTS	3/29/95		4,882							4,882	2,627	S/L	33		148
30	WATER MAINS	1/01/95		600							600	324	S/L	33		18
38	4 - 1" METERS	6/30/99		396							396	162	S/L	33		12
43	24 - 3/4" METERS	2/21/00		1,715							1,715	667	S/L	33		52
44	12 - 3/4" METERS	5/30/00		566							566	214	S/L	33		17
45	8" WATER MAIN	3/29/01		8,391							8,391	2,985	S/L	33		254
46	PUMPING EQUIPMENT	6/25/01		10,561							10,561	3,680	S/L	33		320
47	METERS	1/12/01		10,030							10,030	3,648	S/L	33		304
48	METERS	12/28/01		4,881							4,881	1,628	S/L	33		148
49	4" WATER MAINS	4/25/01		10,184							10,184	3,605	S/L	33		309
50	8" WATER MAINS	6/25/01		34,034							34,034	11,857	S/L	33		1,031
51	METERS	12/31/02		280							280	80	S/L	33		8
56	METERS	10/31/03		2,670							2,670	743	S/L	33		81
57	METERS	6/07/04		124							124	34	S/L	33		4
58	METERS	7/01/04		1,258							1,258	323	S/L	33		38
59	METERS	10/11/04		1,551							1,551	388	S/L	33		47
60	METERES	11/29/04		120							120	32	S/L	33		4
61	SECURITY GATE PUMP STN 1	5/12/04		3,370							3,370	1,950	S/L	15		225
69	METERS	9/19/05		772							772	167	S/L	33		23
70	METERS	10/18/05		1,321							1,321	287	S/L	33		40
71	METERS	2/09/05		939							939	222	S/L	33		28
72	METERS	4/15/05		497							497	116	S/L	33		15
73	METERS	5/09/05		747							747	176	S/L	33		23
74	METERS	5/24/05		1,491							1,491	341	S/L	33		45
75	METERS	6/15/05		237							237	53	S/L	33		7
76	METERS	6/20/05		732							732	165	S/L	33		22

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77	METERS	9/12/05		498							498	110	S/L	33		15
78	WELL #9	10/01/05		9,844							9,844	2,274	S/L	33		298
80	METERS	3/17/06		1,220							1,220	250	S/L	33		37
81	METERS	10/18/06		1,061							1,061	197	S/L	33		32
82	PUMP CONTROL SYSTEM	12/20/06		67,508							67,508	12,276	S/L	33		2,046
84	RETIRED METERS 2006	12/31/06		1							1	-16,922	S/L	33		0
86	NON-WATER PLANT PROP. REMA	VARIOUS		177,028							177,028	166,045	S/L	33		5,364
90	METERS	2/19/07		4,937							4,937	875	S/L	33		150
91	METERS	3/20/07		125							125	23	S/L	33		4
92	METERS	3/31/07		127							127	23	S/L	33		4
94	METERS	7/21/09		2,601							2,601	270	S/L	33		79
95	METERS	7/28/09		152							152	17	S/L	33		5
96	METERS	8/26/09		1,306							1,306	133	S/L	33		40
97	PUMP MOTOR	5/22/09		4,786							4,786	520	S/L	33		145
98	WELL EQUIPMENT	12/01/09		2,740							2,740	256	S/L	33		83
99	PUMP MOTOR	11/16/09		2,293							2,293	213	S/L	33		69
100	PUMPING EQUIPMENT IMPR	9/29/09		17,850							17,850	1,758	S/L	33		541
101	METERS	4/14/10		1,498							1,498	124	S/L	33		45
102	METERS	8/06/10		1,881							1,881	138	S/L	33		57
103	METERS	11/16/10		1,095							1,095	69	S/L	33		33
104	PUMP STATION 3 REBUILD	3/26/10		6,825							6,825	569	S/L	33		207
105	LOPEZ HS PUMP REPLACE	6/20/10		17,898							17,898	1,355	S/L	33		542
106	RETIRED PUMPING EQUIP	6/30/10		1							1	-4,622	S/L	33		0
107	METER READING EQUIP	11/16/10		2,595							2,595	165	S/L	33		79
108	PUMPING EQUIPMENT	7/13/11		14,670							14,670	667	S/L	33		445
109	PUMPING EQUIPMENT	10/05/11		4,532							4,532	171	S/L	33		137
110	PUMPING EQUIPMENT	12/31/11		13,566							13,566	411	S/L	33		411

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111	METERS	4/01/11		2,749							2,749	145	S/L	33		83
112	METERS	7/01/11		86							86	4	S/L	33		3
113	METERS	9/26/11		2,704							2,704	102	S/L	33		82
114	RETIRED PUMPING EQUIPMENT	7/31/11		1							1	-6,955	S/L	33		0
115	4" TURBO METER & DIGITAL	11/13/12		2,948							2,948	15	S/L	33		89
116	METER	2/03/12		135							135	4	S/L	33		4
117	1" METER	5/09/12		192							192	4	S/L	33		6
118	10 HP GOULDS PUMP	3/21/12		2,606							2,606	59	S/L	33		79
119	3HP GOULDS PUMPS	4/30/12		1,634							1,634	33	S/L	33		50
120	10HP GOULDS PUMP	6/14/12		2,606							2,606	46	S/L	33		79
121	10HP GOULDS PUMP	6/21/12		2,606							2,606	39	S/L	33		79
122	20HP GOULDS PUMP & MOTOR	12/27/12		5,537							5,537		S/L	33		168
123	HONEYWELL PRESSURE CHART	4/15/12		523							523	12	S/L	33		16
124	STENNER CHLORINATOR	10/09/12		1,803							1,803	14	S/L	33		55
125	VALVE MATERIALS	9/28/12		8,500							8,500	64	S/L	33		258
126	METER BOXES & COVERS	9/23/12		1,596							1,596	12	S/L	33		48
127	GS3 10HP AC DRIVE	6/30/12		1,196							1,196	18	S/L	33		36
128	40 HP WELL MOTOR	12/13/13		9,756							9,756		S/L	33		25
129	PUMPING EQUIPMENT	4/16/13		3,820							3,820		S/L	33		77
130	PUMPING EQUIPMENT	4/25/13		6,787							6,787		S/L	33		137
131	PUMPING EQUIPMENT	6/05/13		6,652							6,652		S/L	33		118
132	8.5GPM MAG PUMPS	6/24/13		761							761		S/L	33		12
133	WATER MAIN	11/22/13		1,239							1,239		S/L	33		3
134	30 3/4" METERS	7/22/13		3,504							3,504		S/L	33		44
135	EQUIPMENT	3/31/13		10,367							10,367		S/L	33		236
136	EQUIPMENT	4/12/13		805							805		S/L	33		18
137	EQUIPMENT	5/12/13		1,293							1,293		S/L	33		26

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138	EQUIPMENT	6/12/13		1,438							1,438		S/L	33		25
139	EQUIPMENT	6/13/13		3,088							3,088		S/L	33		55
140	EQUIPMENT	7/12/13		1,438							1,438		S/L	33		22
TOTAL MACHINERY AND EQUIPME				619,234		0	0	0	0	0	619,234	243,625				18,142
MISCELLANEOUS																
1	WATER PLANT	VARIOUS		391,998							391,998	342,114	S/L	33		11,879
2	WATER PLANT-TR1256	7/01/88		512,237							512,237	380,212	S/L	33		15,522
3	WATER PLANT-CO88-234	7/01/88		19,017							19,017	14,109	S/L	33		576
4	WATER PLANT-GUSTAFSON	7/01/89		30,781							30,781	21,925	S/L	33		933
5	WATER PLANT-CRAIG	7/01/89		990							990	705	S/L	33		30
6	WATER PLANT-WEST COVINA	7/01/89		37,250							37,250	26,531	S/L	33		1,129
9	WATER PLANT-LUCIA MAR	10/01/89		30,360							30,360	21,390	S/L	33		920
10	WATER PLANT-TR1256/49	7/01/89		89,134							89,134	63,474	S/L	33		2,701
13	WATER PLANT-COOL ET	4/10/90		28,325							28,325	19,520	S/L	33		858
14	WATER PLANT-WELL #6	6/21/90		24,247							24,247	16,537	S/L	33		735
15	WATER PLANT-FLATLEY	9/30/91		124,876							124,876	80,410	S/L	33		3,784
20	WATER PLANT-ROYAL OAKS	7/15/92		5,988							5,988	3,711	S/L	33		181
21	WATER PLANT-INDIAN HILLS	7/15/92		7,485							7,485	4,653	S/L	33		227
22	WATER PLANT-HUBER RANCH	12/31/92		13,602							13,602	8,240	S/L	33		412
23	WATER PLANT - CONE	6/04/93		49,492							49,492	29,375	S/L	33		1,500
31	WATER PLANT - HUBER	5/10/95		28,585							28,585	15,227	S/L	33		866
32	WATER PLANT - CASA TIERRA	1/01/95		50,290							50,290	27,432	S/L	33		1,524
33	WATER PLANT - PACE	6/30/97		25,712							25,712	12,140	S/L	33		779
34	WATER PLANT - NESTAR	6/30/97		20,038							20,038	9,459	S/L	33		607
35	HALCYON WATER MAIN	6/30/97		15,271							15,271	7,215	S/L	33		463

12/31/13

2013 BOOK DEPRECIATION SCHEDULE

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CLIENT 1002508

RURAL WATER COMPANY

95-3752939

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
36	WATER PLANT - RUSS	5/27/98		50,701							50,701	22,400	S/L	33		1,536
37	WATER PLANT - WELL #8	1/31/98		38,243							38,243	17,288	S/L	33		1,159
62	WATER PLANT	1/15/99		158,002							158,002	67,032	S/L	33		4,788
63	WATER PLANT - CYPRESS	10/31/00		1,700,000							1,700,000	626,766	S/L	33		51,515
64	WATER PLANT	1/25/01		27,655							27,655	9,986	S/L	33		838
65	WATER PLANT	1/25/01		28,538							28,538	10,308	S/L	33		865
66	WATER PLANT - PACE	5/06/02		26,880							26,880	8,693	S/L	33		815
67	WATER PLANT - PACE	6/20/02		30,396							30,396	9,671	S/L	33		921
68	WATER PLANT - DUN	9/16/02		11,535							11,535	3,587	S/L	33		350
79	WATER PLANT - WELL #9	10/01/05		55,104							55,104	11,994	S/L	33		1,670
83	WATER PLANT - HUNSTAD	6/30/06		81,000							81,000	15,957	S/L	33		2,455
85	RETIRED METERS 2006	12/31/06		1							1	-2,112	S/L	33		0
87	WATER PLANT-MOORE REMAININ	12/31/91		54,600							54,600	34,744	S/L	33		1,655
88	WATER PLANT - CRAIG REMAIN	7/15/96		17,000							17,000	8,501	S/L	33		515
89	LAND	VARIOUS		88,455							88,455					0
93	WATER PLANT-SHEPHARD	12/15/07		53,000							53,000	8,164	S/L	33		1,606
TOTAL MISCELLANEOUS				3,926,788		0	0	0	0	0	3,926,788	1,957,358				116,314
TOTAL DEPRECIATION				<u>4,562,399</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,562,399</u>	<u>2,217,360</u>				<u>134,456</u>
GRAND TOTAL DEPRECIATION				<u>4,562,399</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,562,399</u>	<u>2,217,360</u>				<u>134,456</u>