

Received _____
Examined _____

CLASS B and C
WATER UTILITIES

U# 204-WTC

2014
ANNUAL REPORT
OF

MEADOWBROOK WATER COMPANY, INC.

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

2272 MEADOWBROOK AVENUE

MERCED, CA 95348
(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2014

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2015

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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, 2015**, 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, 2014, through December 31, 2014. 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: Meadowbrook Water Company, Inc. (an S corporation)
2. Official mailing address:
2272 Meadowbrook Avenue, Merced, CA
3. Name and title of person to whom correspondence should be addressed:
David Walker, CEO Telephone: 209-722-1069
4. Address where accounting records are maintained:
2272 Meadowbrook Avenue, Merced, CA
5. Service Area (Refer to district reports if applicable)
North to Cardella Rd, South to Hwy 140, East approximately to Snelling Rd, West to Buhach Rd, Merced, CA
6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
- Name: Constance Farris Telephone: 209-722-1069
Address: 2232 Lobo Avenue, Merced, CA 95348

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>Meadowbrook Water Co. of Merced, Inc.</u> |
| | Organized under laws of (state) | <u>California</u> Date: <u>4/1/1980</u> |
| | | S corp: <u>7/1/1983</u> |

Principal Officers:

Name: <u>Derald Walker</u>	Title: <u>President</u>
Name: <u>Kathy Hill</u>	Title: <u>Secretary</u>
Name: <u>Mary Lee Nichols</u>	Title: <u>Treasurer</u>
Name: <u>David Walker</u>	Title: <u>Chief Executive Officer</u>

8. Names of associated companies: N/A
-
9. Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:
- | | |
|------------------|-------------|
| Name: <u>N/A</u> | Date: _____ |
| Name: _____ | Date: _____ |
| Name: _____ | Date: _____ |
| Name: _____ | Date: _____ |
10. Use the space below for supplementary information or explanations concerning this report:
N/A
-

11. List Name, Grade, and License Number of all Licensed Operators:
- | | |
|---|--|
| <u>Constance Farris, Grade D2, License #32619</u> | |
| <u>David Walker, Grade D2, License #32676</u> | |

12. This annual report was prepared by:
- Name of firm or consultant: Spinardi & Jones Accountancy Corporation
- Address of firm or consultant: 478 E. Yosemite Avenue, Suite. A
Merced, CA 95340
- Phone Number of firm or consultant: (209) 722-7429 Sheila Livingston, CPA

BALANCE SHEET AND CAPITALIZATION DATA

Calendar Year 2014

NAME OF UTILITY MEADOWBROOK WATER COMPANY, INC. Telephone: 209-722-1069

PERSON RESPONSIBLE FOR THIS REPORT _____

		(Footnote 1)		
		Adjusted		
		1/1/2014	12/31/2014	Average
BALANCE SHEET DATA				
1	Intangible Plant	7,524	7,524	7,524
2	Land and Land Rights	48,697	48,697	48,697
3	Depreciable Plant	3,575,400	3,147,702	3,361,551
4	Gross Plant in Service	3,631,621	3,203,923	3,417,772
5	Less: Accumulated Depreciation	(809,384)	(720,830)	(765,107)
6	Net Water Plant in Service	2,822,237	2,483,093	2,652,665
7	Water Plant Held for Future Use	-	-	-
8	Construction Work in Progress	-	147	74
9	Materials and Supplies	5,000	5,000	5,000
10	Less: Advances for Construction	-	-	-
11	Less: Contribution in Aid of Construction	(1,016,723)	(578,895)	(797,809)
12	Less: Accumulated Deferred Income and Investment Tax Credits	(670)	(591)	(631)
13	Net Plant Investment	<u>1,809,844</u>	<u>1,908,754</u>	<u>1,859,299</u>
CAPITALIZATION				
14	Common Stock	200,000	100,000	
15	Proprietary Capital (Individual or Partnership)	-	-	
16	Paid-in Capital	-	-	
17	Retained Earnings	3,435,840	1,901,955	
18	Common Stock and Equity (Lines 14 through 17)	<u>3,635,840</u>	<u>2,001,955</u>	-
19	Preferred Stock	-	-	
20	Long-Term Debt	-	-	
21	Notes Payable	-	-	
22	Total Capitalization (Lines 18 through 21)	<u>3,635,840</u>	<u>2,001,955</u>	-
	<i>Per workpapers</i>	3,635,840	2,001,955	
	<i>Proof</i>	-	-	

FOOTNOTE 1 - PRIOR PERIOD ADJUSTMENT

		Unadjusted		Adjusted
		Balance	Prior Period	Balance
		01/01/2014	Adjustments	01/01/2014
1	Intangible Plant	7,524	-	7,524
2	Land and Land Rights	48,697	-	48,697
3	Depreciable Plant	2,657,520	917,880	3,575,400
4	Gross Plant in Service	2,713,741	917,880	3,631,621
5	Less: Accumulated Depreciation	(495,804)	(313,580)	(809,384)
6	Net Water Plant in Service	2,217,937	604,300	2,822,237
7	Water Plant Held for Future Use	-	-	-
8	Construction Work in Progress	-	-	-
9	Materials and Supplies	5,000	-	5,000
10	Less: Advances for Construction	-	-	-
11	Less: Contribution in Aid of Construction	(409,357)	(607,366)	(1,016,723)
12	Less: Accumulated Deferred Income and Investment Tax Credits	(670)	-	(670)
13	Net Plant Investment	<u>1,812,910</u>	<u>(3,066)</u>	<u>1,809,844</u>

CAPITALIZATION				
14	Common Stock	100,000	100,000	200,000
15	Proprietary Capital (Individual or Partnership)	-	-	-
16	Paid-in Capital	-	-	-
17	Retained Earnings	1,710,936	1,724,904	3,435,840
18	Common Stock and Equity (Lines 14 through 17)	<u>1,810,936</u>	<u>1,824,904</u>	<u>3,635,840</u>
19	Preferred Stock	-	-	-
20	Long-Term Debt	-	-	-
21	Notes Payable	-	-	-
22	Total Capitalization (Lines 18 through 21)	<u>1,810,936</u>	<u>1,824,904</u>	<u>3,635,840</u>
	<i>Per workpapers</i>	1,810,936	1,824,904	
	<i>Proof</i>	-	-	

INCOME STATEMENT AND OTHER DATA

Calendar Year 2014

NAME OF UTILITY MEADOWBROOK WATER COMPANY, INC.

Telephone: 209-722-1069

INCOME STATEMENT	Annual Amount
23 Unmetered Water Revenue	150
24 Fire Protection Revenue	10,252
25 Irrigation Revenue	8,265
26 Metered Water Revenue	871,783
27 Total Operating Revenue	890,450
28 <u>Operating Expenses</u>	572,492
29 Depreciation Expense (Composite Rate: <u>2.50%</u>)	55,967
30 Amortization and Property Losses	N/A
31 Property Taxes	10,710
32 Taxes Other Than Income Taxes	24,569
33 Total Operating Revenue Deduction Before Taxes	663,738
34 California Corp. Franchise Tax	(339)
35 Federal Corporate Income Tax	-
36 Total Operating Revenue Deduction After Taxes	663,399
37 Net Operating Income (Loss) - California Water Operations	227,051
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	-
39 Income Available for Fixed Charges	227,051
40 Interest Expense	-
41 Net Income (Loss) Before Dividends	227,051
42 Preferred Stock Dividends	-
43 Net Income (Loss) Available for Common Stock	227,051
 OTHER DATA	
44 Refunds of Advances for Construction	-
45 Total Payroll Charged to Operating Expenses	257,123
46 Purchased Water	-
47 Power	81,056

<u>Active Service Connections</u>	(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		1618	1619	1619
49 Flat Rate Service Connections		0	0	0
50 Total Active Service Connections		1618	1619	1619

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 2014:

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

N/A

**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	3,203,923	3,060,729
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	147	-
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		3,204,070	3,060,729
11	108	Accumulated Depreciation of Water Plant	A-3	720,830	643,926
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		720,830	643,926
16		Net utility plant		2,483,240	2,416,803
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		29,427	(2,927)
28	131.3	Cash - Miscellaneous Special Deposits - Prop 50		-	-
29	132	Special Accounts		4,061	3,293
30	141	Accounts Receivable - Customers		54,795	63,070
31	142	Receivables from Associated Companies		-	-
32	143	Accumulated Provision for Uncollectible Accounts		-	-
33	151	Materials and Supplies		5,000	5,000
34	174	Other Current Assets		11,571	9,685
35		Total current and accrued assets		104,854	78,121
36					
37	180	Deferred Charges	A-5	-	-
38					
39		Total assets and deferred charges		2,588,094	2,494,924

Per workpapers 2,588,094 2,494,924
Proof - -

NOTE A

See Footnote 2 at Schedule A-1

NOTE B

See Footnote 3 at Schedule A-3

NOTE C

Estimate value. Per audit, incorrectly averaged in past years. See Annual Report 2014 Cover Letter for new procedure to take effect in 2016.

**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	100,000	100,000
42	204	Preferred Stock	A-6	-	-
43	211	Other Paid-in Capital	A-8	-	-
44	215	Retained Earnings	A-9	1,901,955	1,724,904
45		Total corporate capital and retained earnings		2,001,955	1,824,904
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		1,850	68,989
58	232	Short-term Notes Payable		-	-
59	233	Customer Deposits		-	-
60	235	Payables to Associated Companies	A-13	-	-
61	236	Accrued Taxes		888	1,148
62	237	Accrued Interest		-	-
63	241	Other Current Liabilities	A-14	3,915	3,958
64		Total current and accrued liabilities		6,653	74,095
65					
66		DEFERRED CREDITS			
67	252	Advances for Construction	A-15	-	-
68	253	Other Credits		-	-
69	255	Accumulated Deferred Investment Tax Credits	A-16	-	-
70	282	Accumulated Deferred Income taxes - ACRS Depreciation	A-16	591	670
71	283	Accumulated Deferred Income taxes - Other	A-16	-	-
72		Total deferred credits		591	670
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	839,734	835,158
79	272	Accumulated Amortization of Contributions		260,839	239,903
80		Net Contributions in Aid of Construction		578,895	595,255
81		Total liabilities and other credits		2,588,094	2,494,924

Per workpapers 2,588,094 2,494,924
Proof - -

NOTE A
NOTE A

NOTE A

See Footnote 3 at Schedule A-17

**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)
			Footnote 2				
1	101	Water Plant in Service (Excluding SDWBA and Prop 50)	3,060,729	143,194	-	-	3,203,923
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	-	147		-	147
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	3,060,729	143,341	-	-	3,204,070

* 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)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT	Footnote 2				
2	301	Intangible Plant	7,524	-	-	-	7,524
3	303	Land	48,697	-	-	-	48,697
4		Total non-depreciable plant	56,221	-	-	-	56,221
5							
6		DEPRECIABLE PLANT					
7	304	Structures	169,947	81,447	-	-	251,394
8	307	Wells	563,993	13,014	-	-	577,007
9	317	Other Water Source Plant	39,740	2,710	-	-	42,450
10	311	Pumping Equipment	170,071	-	-	-	170,071
11	320	Water Treatment Plant	9,211	3,662	-	-	12,873
12	330	Reservoirs, Tanks and Sandpipes	92,001	-	-	-	92,001
13	331	Water Mains	905,568	-	-	-	905,568
14	333	Services and Meter Installations	482,131	17,251	-	-	499,382
15	334	Meters	384,315	20,038	-	-	404,353
16	335	Hydrants	27,703	-	-	-	27,703
17	339	Other Equipment	53,151	4,367	-	-	57,518
18	340	Office Furniture and Equipment	36,084	705	-	-	36,789
19	341	Transportation Equipment	70,593	-	-	-	70,593
20		Total depreciable plant	3,004,508	143,194	-	-	3,147,702
21		Total water plant in service	3,060,729	143,194	-	-	3,203,923

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

Per workpapers
Proof 3,203,923
-

FOOTNOTE 2

COLUMN B DETAIL

Balance beginning of year

See source
references at
A-1aa

L 2,712,741

12/31/2012 cumulative increase to CIAC

M 249,859

Add: CIP put into service 12/31/2012 (reported as disposed in 2013 on original report)

N 82,577

Add: Additional 2013 additions not previously reported

O 15,552 98,129

Total - Prior period adjustments

347,988

Adjusted beginning balance

P 3,060,729

See detailed calculations at Schedule A-1ab

CIAC and other plant additions have not been audited by UAFCB

Meadowbrook Water Co
Water Plant in Service Rollforward
12/31/2014

SEE SCHEDULE A-1ab FOR ppa c

SCHEDULE A-1a			Asset Additions										Asset Disposals							
WATER PLANT IN SERVICE	Ref	A/C	Balance Beg of Year -		Additional 2013 Additions	CIAC Adjustment 12/31/2012	Balance Beg of Year -		Cash Basis Additions G-2	WIP Put into Service	Accrual Adjustments H-1	Capitalized Wages & Related N-2	Subtotal-Additions	101 Water Plant in Service Alloc of Junked G-3		Cash Basis Old Assets Junked G-3	Adjust Asset-Disposals to PUC Rules	Subtotal-Disposals	Balance End of Year	Average Plant
			Unadjusted	CIP Adjustment 2012 Note A			Adjusted	Adjusted						Service Alloc of Junked	Assets Junked					
NON-DEPRECIABLE PLANT																				
Intangible plant	301		7,524.00	-	-	-	7,524.00	-	-	-	-	-	-	-	-	-	-	-	7,524.00	-
Land	303		48,697.00	-	-	-	48,697.00	-	-	-	-	-	-	-	-	-	-	-	48,697.00	-
Total non-depreciable plant			56,221.00	-	-	-	56,221.00	-	-	-	-	-	-	-	-	-	-	-	56,221.00	-
DEPRECIABLE PLANT																				
Structures	304		105,446.74	64,499.78	-	-	169,946.52	1,982.70	38,044.93	-	41,419.18	81,446.81	-	-	-	-	-	-	251,393.33	210,669.93
Wells	307		554,650.87	9,342.61	-	-	563,993.48	13,013.60	-	-	-	13,013.60	-	-	-	-	-	-	590,020.68	577,007.08
Well 1	307.0		159,918.91	-	-	-	159,918.91	-	-	-	-	-	-	-	-	-	-	-	159,918.91	159,918.91
Well 2	307.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Well 3	307.2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Well 4	307.3		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Well 5	307.4		98,754.50	9,342.61	-	-	108,097.11	8,732.67	-	-	-	8,732.67	-	-	-	-	-	-	116,829.78	112,463.45
Well 6	307.5		64,804.09	-	-	-	64,804.09	955.67	-	-	-	955.67	-	-	-	-	-	-	65,759.76	65,281.93
Well 6	307.6		231,173.37	-	-	-	231,173.37	3,325.26	-	-	-	3,325.26	-	-	-	-	-	-	234,498.63	232,836.00
Pumping equip	311		161,336.26	8,734.44	-	-	170,070.70	-	-	-	-	-	-	-	-	-	-	-	170,070.70	170,070.70
Other water source plant	317		24,187.65	-	15,552.01	-	39,739.66	-	2,710.28	-	-	2,710.28	-	-	-	-	-	-	42,449.94	41,094.80
Water treatment plant	320		9,210.68	-	-	-	9,210.68	3,662.92	-	-	-	3,662.92	-	-	-	-	-	-	12,873.60	11,042.14
Reservoirs, tanks & sandpipes	330		92,000.92	-	-	-	92,000.92	-	-	-	-	-	-	-	-	-	-	-	92,000.92	92,000.92
Water mains	331		655,708.93	-	-	249,859.00	905,567.93	-	-	-	-	-	-	-	-	-	-	-	905,567.93	905,567.93
Services & meter inst	333		482,130.95	-	-	-	482,130.95	-	-	-	2,487.46	17,251.14	-	-	-	-	-	-	499,382.09	490,756.52
Meters	334		384,315.03	-	-	-	384,315.03	20,037.74	-	-	-	20,037.74	-	-	-	-	-	-	404,352.77	394,333.90
Hydrants	335		27,703.31	-	-	-	27,703.31	-	-	-	-	-	-	-	-	-	-	-	27,703.31	27,703.31
Other equip	339		53,151.22	-	-	-	53,151.22	4,366.70	-	-	-	4,366.70	-	-	-	-	-	-	57,517.92	55,334.57
Office furn & equip	340		36,084.38	-	-	-	36,084.38	704.63	-	-	-	704.63	-	-	-	-	-	-	36,789.01	36,436.70
Transportation equip	341		70,592.96	-	-	-	70,592.96	-	-	-	-	-	-	-	-	-	-	-	70,592.96	70,592.96
Total depreciable plant			2,656,519.90	82,576.83	15,552.01	249,859.00	3,004,507.74	58,531.97	40,755.21	-	43,906.64	143,193.82	-	-	-	-	-	-	3,147,701.56	3,076,104.65
Total water plant in service			2,712,740.90	82,576.83	15,552.01	249,859.00	3,060,728.74	58,531.97	40,755.21	-	43,906.64	143,193.82	-	-	-	-	-	-	3,203,922.56	3,132,325.65
Construction in process	105		-	-	-	-	-	40,902.29	(40,755.21)	-	-	147.08	-	-	-	-	-	-	147.08	-
Total Utility Plant			2,712,740.90	82,576.83	15,552.01	249,859.00	3,060,728.74	99,434.26	-	-	43,906.64	143,340.90	-	-	-	-	-	-	3,204,069.64	-
Ref:			L	N	O	M	P	Subtotal:		99,287.18										

SCHEDULE A-3
DEPRECIATION & AMORTIZATION RESERVES

ACCUMULATED DEPR / AMORT											
Water plant	106	(495,804.62)	(84,642.73)	(194.00)	(63,285.65)	(643,927.00)	(76,903.00)	-	-	(76,903.00)	(720,830.00)
Non-utility property	122	-	-	-	-	-	-	-	-	-	-
		(495,804.62)	(84,642.73)	(194.00)	(63,285.65)	(643,927.00)	(76,903.00)	-	-	(76,903.00)	(720,830.00)
		2,216,936.28	Note A	-	-	(0.35)	-	-	-	-	2,483,239.64
GAIN/LOSS ON ASSET DISPOSAL											
Proceeds on sale to gain/loss a/c	421.1	n/a	-	-	-	-	-	-	-	-	-
(Gain) / Loss on asset disposal per books	421.1	n/a	-	-	-	-	-	-	-	-	-
		AJE <19>		AJE <20>							

DEPRECIATION POSTED TO:			Plant asset rollforward summary			Accumulated depreciation rollforward summary			
CIAC accumulated amortization	H-20	272	20,936.00	AJE <13>	-	2014 Unadjusted beginning balance	L	495,805.00	A
Depr exp-plant	Below	403	55,967.00	AJE <13>	-	PPA - cumulative increase to accumulated depreciation as of 12/31/2012	M	57,040.00	B
Depr exp-non-utility property		426.3	-	AJE <13>	-	PPA - to add back CIP put into service 12/31/2012, (not retired/removed in 2013 as it was originally reported)	N	82,576.73	D
Accumulated depr-water plant		106	76,903.00	AJE <13>	-	PPA - increase to 2013 CIAC depreciation expense due to PPA infrastructure additions	O	6,246.00	Subtotal:
Depreciation Calculation:									
Average plant			3,132,325.65	Avg A/D	682,378.85	2014 Adjusted beginning balance	P	3,060,728.64	2,066.00
Less: non-depreciable plant			(56,221.00)			2014 current year additions		143,340.90	194.00
Average depreciable plant			3,076,104.65			2014 current year disposals		-	8,506.00
Amortization rate (40 yrs)			2.50%			Ending fixed assets - 12/31/2014		3,204,069.54	148,122.73
Current year amortization			76,903.00			Proof:		(0.10)	F
Less: CIAC portion			(20,936.00)			2014 Adjusted beginning balance		643,927.73	E
Depreciation expense-plant			55,967.00			2014 current year CIAC depreciation		20,936.00	2,066.00
						2014 current year plant depreciation		55,967.00	8,506.00
						Ending accumulated depreciation - 12/31/2014		720,830.73	148,122.73
						Proof:		0.38	Rounding

Note A - CIP Reconciliation:					
Beginning balance per books			24,874.07		
Beginning balance per this worksheet			123,278.55		
Beginning balance variance			(98,404.48)		
a/c 252 Advances for construction			15,827.75		
a/c 106 Accum depreciation			82,576.73	**	

** Additional CIP assets put into service 12/31/2012 :						
Asset #	Description	Account	As Amended	As Filed	Adjustment	Subtotal:
308	Equip bldg at well 5	304 Structures	4,347.22	-	4,347.22	4,347.22
309	Shop remodel completed	304 Structures	60,152.56	-	60,152.56	64,499.78
310	Well 4 VFD project-addl costs	307 Wells	9,342.61	-	9,342.61	
311	Generator in-service	311 Pumping equip	8,734.44	-	8,734.44	
		105 CIP	(98,404.58)	(98,404.58)	-	@ 2.5%
		106 Accum depr	-	82,576.83	(82,576.83)	2,065.00
		252 Adv's for constr	15,827.75	15,827.75	-	AJE <19>
			-	-	-	2013 depreciation expense on these assets
			-	-	-	DR 215 Retained Earnings
			-	-	-	CR 106 A/D of water plant
AJE <19>						

Meadowbrook Water Co
 Accumulated Depreciation Rollforward
 12/31/2014

Accumulated Depreciation and Amortization											
	Beq Bal Depr/Amort Allocation	Adjustment- CIP Note A	Adjustment- 2012 & 2013 depr change	Adjustment-2013 disposals- reallocation	Adjustment-CIAC additions	Subtotal - PPA's	Adjusted Beginning Balance	CY Amort @ 7.5%	CY Disposals	Total CY Adit	End Bal Depr/Amort Allocation
WATER PLANT IN SERVICE											
NON-DEPRECIABLE PLANT											
Intangible plant											
Land											
Total non-depreciable plant											
DEPRECIABLE PLANT											
Structures	12,995.00	2,082.00	1,613.00	318.00		4,013.00	17,008.00	5,267.00	-	-	22,275.00
Wells	94,549.00	15,476.00	234.00	2,362.00	-	18,072.00	112,621.00	14,263.00	-	-	126,884.00
Wells	44,527.00	7,781.00	-	1,188.00		8,969.00	53,496.00	3,998.00	-	-	57,494.00
Well 1	1,003.00	184.00	-	28.00		212.00	1,215.00	-	-	-	1,215.00
Well 2	-	-	-	-		-	-	-	-	-	-
Well 3	-	-	-	-		-	-	-	-	-	-
Well 4	17,978.00	2,976.00	234.00	454.00		3,664.00	21,642.00	2,812.00	-	-	24,454.00
Well 5	9,245.00	1,462.00	-	223.00		1,685.00	10,930.00	1,632.00	-	-	12,562.00
Well 6	21,796.00	3,073.00	-	469.00		3,542.00	25,338.00	5,821.00	-	-	31,159.00
Pumping equip	10,668.00	1,115.00	218.00	170.00		1,503.00	12,171.00	4,252.00	-	-	16,423.00
Other water source plant	47,661.00	9,034.00	194.00	1,379.00		10,607.00	58,268.00	1,027.00	-	-	59,295.00
Water treatment plant	416.00	30.00	-	4.00		34.00	450.00	276.00	-	-	726.00
Reservoirs, tanks & sandpipes	29,016.00	5,125.00	-	783.00		5,908.00	34,924.00	2,300.00	-	-	37,224.00
Water mains	66,670.00	10,012.00	6,246.00	(11,076.65)	57,040.00	62,221.35	128,891.35	22,639.00	-	-	151,530.35
Services & meter inst	111,408.35	19,072.00	-	2,910.65		21,982.65	133,391.00	12,269.00	-	-	145,660.00
Meters	86,744.00	14,798.00	-	2,259.00		17,057.00	103,801.00	9,858.00	-	-	113,659.00
Hydrants	8,325.00	1,465.00	-	224.00		1,689.00	10,014.00	693.00	-	-	10,707.00
Other equip	11,901.00	1,949.00	-	298.00		2,247.00	14,148.00	1,383.00	-	-	15,531.00
Office furn & equip	7,644.00	1,261.00	-	193.00		1,454.00	9,098.00	911.00	-	-	10,009.00
Transportation equip	7,807.27	1,157.73	1.00	176.00		1,334.73	9,142.00	1,765.00	-	-	10,907.00
Total depreciable plant	495,804.62	82,576.73	8,506.00	-	57,040.00	148,122.73	643,927.35	76,903.00	-	-	720,830.35
Ref:	A	D	C		B	F	E				
							0.35	-	-		0.35
							Rounding	Rounding			Rounding

PRIOR PERIOD ADJUSTMENTS																CUMULATIVE BALANCES		
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2012	2013	2014
Water Plant In-Service																		
Balance at beginning of year - as reported	1,168,233.00	1,205,984.00	1,226,695.00	1,264,859.00	1,417,140.00	1,620,405.00	1,808,906.00	2,007,064.00	2,020,927.00	2,296,631.00	2,369,153.00	2,432,293.00	2,506,518.00	2,656,340.00	2,712,741.00			
Prior period adjustment-2012 Books/PUC report variance	-	-	-	-	-	55,167.00	55,167.00	55,167.00	55,167.00	55,167.00	55,167.00	55,167.00	55,167.00	55,167.00	55,167.00			
Prior period adjustment-2013 Books/PUC report variance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,552.00			
Prior period adjustment-Advances for construction to CIAC	-	-	-	-	194,692.00	194,692.00	194,692.00	194,692.00	194,692.00	194,692.00	194,692.00	194,692.00	194,692.00	194,692.00	194,692.00			
Subtotal - prior period adjustment - CIAC	-	-	-	-	194,692.00	249,859.00	249,859.00	249,859.00	249,859.00	249,859.00	249,859.00	249,859.00	249,859.00	249,859.00	249,859.00			
Clerical error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,000.00)			
Prior period adjustment - CIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82,577.00			
Balance at beginning of year - as amended	1,168,233.00	1,205,984.00	1,226,695.00	1,264,859.00	1,611,832.00	1,870,264.00	2,058,765.00	2,256,923.00	2,270,786.00	2,546,490.00	2,619,012.00	2,682,152.00	2,756,377.00	2,987,776.00	3,060,729.00			
Additions, as reported	37,751.00	32,786.00	48,164.00	152,281.00	203,265.00	203,501.00	198,158.00	304,874.00	77,946.00	32,006.00	65,140.00	74,225.00	148,822.00	219,027.00	143,194.00			
PPA-2012 Books/PUC report variance taken back to orig date	-	-	-	-	55,167.00	-	-	-	-	-	-	-	-	-	-		55,167.00	55,167.00
PPA-Advances for construction to CIAC	-	-	-	194,692.00	-	-	-	-	-	-	-	-	-	-	-		194,692.00	194,692.00
PPA-CIP in-service 12/31/2012	-	-	-	-	-	-	-	-	-	-	-	-	82,577.00	-	-		82,577.00	82,577.00
PPA-add book additions prev excluded	-	-	-	-	-	-	-	-	-	-	-	-	-	15,552.00	-		15,552.00	15,552.00
Disposals, as reported	-	(12,075.00)	(10,000.00)	-	-	(15,000.00)	-	(245,304.00)	-	-	-	-	-	-	(161,626.00)			
Other Debits (Credits)	-	-	-	-	-	-	-	(45,707.00)	197,758.00	40,516.00	(2,000.00)	-	-	-	-			
Balance at end of year	1,205,984.00	1,226,695.00	1,264,859.00	1,611,832.00	1,870,264.00	2,058,765.00	2,256,923.00	2,270,786.00	2,546,490.00	2,619,012.00	2,682,152.00	2,756,377.00	2,987,776.00	3,060,729.00	3,203,923.00	332,436.00	347,988.00	347,988.00
<i>Memo: Non-Depreciable Plant BOY</i>	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00			
<i>Memo: Non-Depreciable Plant EOY</i>	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00	56,221.00			
Accumulated Depreciation																		
Balance at beginning of year - as reported	(373,074.00)	(398,362.00)	(419,157.00)	(438,539.00)	(470,273.00)	(506,398.00)	(532,361.00)	(578,100.00)	(382,770.00)	(435,334.00)	(492,251.00)	(550,864.00)	(611,194.00)	(674,312.00)	(495,804.00)			
Prior period adjustments	-	1,622.00	1,708.00	1,708.00	(696.00)	(6,186.00)	(12,357.00)	(18,529.00)	(24,776.00)	(31,022.00)	(37,269.00)	(43,515.00)	(49,761.00)	(57,039.00)	(148,122.00)			
Balance at beginning of year - as amended	(373,074.00)	(396,740.00)	(417,449.00)	(436,831.00)	(470,969.00)	(512,584.00)	(544,718.00)	(596,629.00)	(407,546.00)	(466,356.00)	(529,520.00)	(594,379.00)	(660,955.00)	(731,351.00)	(643,926.00)			
Additions	403	272																
	(24,338.00)	(23,235.00)	(23,534.00)	(25,057.00)	(28,027.00)	(30,632.00)	(34,052.00)	(36,442.00)	(39,078.00)	(42,743.00)	(44,204.00)	(45,895.00)	(48,683.00)	(51,161.00)	(55,967.00)			
	(4,425.00)	(5,042.00)	(5,848.00)	(6,677.00)	(8,098.00)	(10,331.00)	(13,487.00)	(18,529.00)	(24,776.00)	(31,022.00)	(37,269.00)	(43,515.00)	(49,761.00)	(57,039.00)	(76,903.00)			
PPA Additions - CIAC depr	403	-	-	(2,404.00)	(5,490.00)	(6,171.00)	(6,172.00)	(6,247.00)	(6,246.00)	(6,247.00)	(6,246.00)	(6,246.00)	(6,246.00)	(6,246.00)	-		(57,715.00)	(63,961.00)
PPA Additions - CIAC amort	272	-	-	-	-	-	-	-	-	-	-	-	(1,032.00)	(2,066.00)	-		(1,032.00)	(3,098.00)
PPA Additions - CIP depr	403	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
PPA Additions - addl book additions	403	-	-	-	-	-	-	-	-	-	-	-	-	(194.00)	-		(194.00)	(194.00)
Unidentified calculation variance / or rounding		1,622.00	86.00	-	-	-	-	-	-	-	-	-	-	-	-		1,708.00	1,708.00
Subtotal - PPA Additions & adjustments		1,622.00	86.00	(2,404.00)	(5,490.00)	(6,171.00)	(6,172.00)	(6,247.00)	(6,246.00)	(6,247.00)	(6,246.00)	(6,246.00)	(6,246.00)	(7,278.00)	(8,506.00)			
Subtotal - All Additions	(27,141.00)	(28,191.00)	(29,382.00)	(34,138.00)	(41,615.00)	(47,134.00)	(55,191.00)	(63,442.00)	(82,467.00)	(103,261.00)	(123,021.00)	(142,814.00)	(163,376.00)	(184,636.00)	(206,732.00)			
Disposals - as filed	-	12,075.00	10,000.00	-	-	15,000.00	-	244,274.00	-	-	-	-	-	244,203.00	-			
Disposals-PPA - add back CIP removed in error	-	-	-	-	-	-	-	-	-	-	-	-	-	(82,577.00)	-		(82,577.00)	(82,577.00)
Other Debits (Credits)	3,475.00	(4,593.00)	-	-	-	-	-	(45,707.00)	197,758.00	40,516.00	(2,000.00)	-	-	-	-			
Balance at end of year	(396,740.00)	(417,449.00)	(436,831.00)	(470,969.00)	(512,584.00)	(544,718.00)	(596,629.00)	(407,546.00)	(466,356.00)	(529,520.00)	(594,379.00)	(660,955.00)	(731,351.00)	(643,926.00)	(720,829.00)	(57,039.00)	(148,122.00)	(148,122.00)
Net Plant in Service																		
Balance at beginning of year - as reported	795,159.00	807,622.00	807,538.00	826,320.00	946,867.00	1,114,007.00	1,276,545.00	1,428,964.00	1,638,157.00	1,861,297.00	1,876,902.00	1,881,429.00	1,895,324.00	1,982,028.00	2,216,937.00			
Clerical error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,000.00)	-			
Prior period adjustment	-	1,622.00	1,708.00	1,708.00	193,996.00	243,673.00	237,502.00	231,330.00	225,083.00	218,837.00	212,590.00	206,344.00	200,098.00	275,397.00	199,866.00			
Balance at beginning of year - as amended	795,159.00	809,244.00	809,246.00	828,028.00	1,140,863.00	1,357,680.00	1,514,047.00	1,660,294.00	1,863,240.00	2,080,134.00	2,089,492.00	2,087,773.00	2,095,422.00	2,256,425.00	2,416,803.00			
Additions, as reported	8,988.00	4,509.00	18,782.00	120,547.00	167,140.00	162,538.00	152,419.00	255,930.00	25,382.00	(24,911.00)	6,527.00	13,895.00	85,704.00	153,332.00	66,291.00			
PPA Additions	1,622.00	86.00	-	192,288.00	49,677.00	(6,171.00)	(6,172.00)	(6,247.00)	(6,246.00)	(6,247.00)	(6,246.00)	(6,246.00)	75,299.00	7,046.00	-		275,397.00	282,443.00
Disposals, as reported	-	-	-	-	-	-	-	(1,030.00)	-	-	-	-	-	82,577.00	-		-	-
PPA Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	(82,577.00)	-		(82,577.00)	(82,577.00)
Other Debits (Credits)	3,475.00	(4,593.00)	-	-	-	-	-	(45,707.00)	197,758.00	40,516.00	(2,000.00)	-	-	-	-			
Balance at end of year	809,244.00	809,246.00	828,028.00	1,140,863.00	1,357,680.00	1,514,047.00	1,660,294.00	1,863,240.00	2,080,134.00	2,089,492.00	2,087,773.00	2,095,422.00	2,256,425.00	2,416,803.00	2,483,094.00	275,397.00	199,866.00	199,866.00
Depreciation Expense																		
Average Plant - as amended	1,130,887.50	1,160,118.50	1,189,556.00	1,382,124.50	1,684,827.00	1,908,293.50	2,101,623.00	2,207,633.50	2,352,417.00	2,526,530.00	2,594,361.00	2,663,043.50	2,815,855.50	2,968,031.50	3,076,105.00			
Depreciation rate (40 yrs)	2.40%	2.43%	2.47%	2.47%	2.47%	2.47%	2.47%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%			
Current year depreciation - as amended	27,141.00	28,191.00	29,382.00	34,138.00	41,615.00	47,135.00	51,910.00	55,191.00	58,810.00	63,163.00	64,859.00	66,576.00	70,396.00	74,201.00	76,903.00	638,507.00	712,708.00	789,611.00
						1.00	(1.00)				(1.00)							
Breakdown of adjusted depreciation expense:																		
Regular depreciation	22,716.00	23,149.00	23,534.00	25,057.00	28,027.00	30,633.00	34,051.00	36,442.00	39,078.00	42,742.00	44,204.00	45,895.00	49,715.00	53,421.00	76,903.00	445,243.00	498,664.00	575,567.00
CIAC amortization	4,425.00	5,042.00	5,848.00	9,081.00	13,588.00	16,502.00	17,859.00	18,749.00	19,732.00	20,421.00	20,655.00	20,681.00	20,681.00	20,780.00	-	193,264.00	214,044.00	214,044.00
SUMMARY - PRIOR PERIOD ADJUSTMENTS																		
CIAC asset additions	-	-	194,692.00	55,167.00	-	-	-	-	-	-	-	-	-	-	-	249,859.00	249,859.00	249,859.00
Depr on CIAC additions	-	-	(2,404.00)	(5,490.00)	(6,171.00)	(6,172.00)	(6,247.00)	(6,246.00)	(6,247.00)	(6,246.00)	(6,246.00)	(6,246.00)	(6,246.00)	(6,246.00)	-	(57,715.00)	(63,961.00)	(63,961.00)
	-	-	192,288.00	49,677.00	(6,171.00)													

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							
6		DEPRECIABLE PLANT			N/A		
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							
6		DEPRECIABLE PLANT			N/A		
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-1d
Account No. 103 - Water Plant Held for Future Use

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

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

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

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

Line No.	Item (a)	Account 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 (Footnote 2)	643,927	N/A	N/A	N/A
2	Add: Credits to reserves during year				
3	(a) Charged to Account No. 403	55,967			
4	(b) Charged to Account No 272	20,936			
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	-			
10	Total Credits	76,903			
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	720,830	-	-	-
17					
18	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			%	2.5%
19					
20	(2) EXPLANATION OF ALL OTHER CREDITS:				
21	See Footnote 2 Prior Period Adjustments				
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]			

FOOTNOTE 3

Unadjusted beginning balance	<u>Ref. from A-1aa</u>	A	495,804.00	
<u>Prior period adjustment</u>				
2013 PPA to add back CIP put into service (originally reported as retired/removed)		D	82,577.00	
Cumulative increase to accumulated depreciation as of 12/31/2012		B	57,040.00	Sum of B:
Increase to 2013 plant depreciation expense due to PPA's		C	8,506.00	65,546.00
Total prior period adjustment			<u>148,123.00</u>	
Adjusted beginning balance		E	<u>643,927.00</u>	

See detailed calculations from 2000-2013 at Schedule A-1ab

CIAC additions and other prior period adjustments have not been audited by UAFCB

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

NOTE A									
Line No.	Acct No.	Depreciable Plant (a)	Unadjusted Balance Beginning of Year (b)	Prior Period Adjustments (b)	Adjusted 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	12,995	4,013	17,008	5,267	-	-	22,275
2	307	Wells	94,549	18,072	112,621	14,263	-	-	126,884
3	317	Other Water Source Plant	47,661	10,607	58,268	1,027	-	-	59,295
4	311	Pumping Equipment	10,668	1,503	12,171	4,252	-	-	16,423
5	320	Water Treatment Plant	416	34	450	276	-	-	726
6	330	Reservoirs, Tanks and Sandpipes	29,016	5,908	34,924	2,300	-	-	37,224
7	331	Water Mains	66,670	62,221	128,891	22,639	-	-	151,530
8	333	Services and Meter Installations	111,408	21,983	133,391	12,269	-	-	145,660
9	334	Meters	86,744	17,057	103,801	9,858	-	-	113,659
10	335	Hydrants	8,325	1,689	10,014	693	-	-	10,707
11	339	Other Equipment	11,901	2,247	14,148	1,383	-	-	15,531
12	340	Office Furniture and Equipment	7,644	1,454	9,098	911	-	-	10,009
13	341	Transportation Equipment	7,807	1,335	9,142	1,765	-	-	10,907
14		Total	495,804	148,123	643,927	76,903	-	-	720,830

NOTE A

See detail at Schedule A-1aa, depreciation reserve rollforward with prior period adjustments.

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

Line No.	Item (a)	Amount (b)
1	Prepaid property tax	4,680
2	Prepaid software maintenance	3,427
3	Prepaid dues	1,392
4	Prepaid office maintenance	1,125
5	Other prepaid expenses	947
6		
7		
8		
9		
10		11,571

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	N/A								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

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

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common	4/1/1980		\$ 100.00	1,000	\$ 100,000		None
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	Kathleen Ann Hill	250		
2	Mary Lee Nicholds	250		
3	David L. Walker	250		
4	Derald R. Walker	250		
5				
6				
7				
8				
9				
10	Total number of shares	1,000	Total number of shares	-

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

Line No.	Type of Paid in Capital (a)	Balance End of Year (b)
1	N/A	
2		
3		
4		
5		
6		
7		
8	Total	

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	1,724,904
2	CREDITS	-
3	Net income	227,051
4	Prior period adjustments	-
5	Other credits (detail)	-
6	Total Credits	227,051
7		
8	DEBITS	
9	Net losses	-
10	Prior period adjustments	-
11	Dividend appropriations - preferred stock	-
12	Dividend appropriations - common stock	-
13	Distributions to shareholders	50,000
14	Total Debits	50,000
15	Balance end of year	1,901,955

NOTE A

Per workpapers 1,900,116
Proof (1,839)

NOTE A

Prior Period Adjustment	215
As Originally Reported	<u>1,710,936</u>
Prior period adjustments:	
Depreciation increase for assets not on report as originally filed	(1,584)
Additional 2013 asset additions	15,552
	<u>13,968</u>
	<u>1,724,904</u>
Retained Earnings, Adjusted Balance 01/01/2014	<u>1,724,904</u>
	<i>Per workpapers</i> 1,724,904
	<i>Proof</i> -

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

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	CREDITS	N/A
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 (i)	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	N/A				
2					
3					
4					
5					
6	Totals				

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

Line No.	Description (a)	Balance End of Year (b)
1	Accrued Public Health Fees	2,970
2	Accrued PUC Regulatory Fees	157
3	Payroll Taxes Payable	449
4	Workers Compensation Liability	339
5	Total	3,915

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	N/A	-
2	Additions during year		-
3	Subtotal - Beginning balance plus additions during year		-
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		-

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	Deferred income tax - federal	N/A	-	N/A
2				
3	Deferred franchise tax - California:			
4	2009		935	
5	2010		(22)	
6	2011		(108)	
7	2012		(42)	
8	2013		(93)	
9	2014		(79)	
10	Total	-	591	-

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. 108, 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. 108. 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 (Footnote 3)	595,255	595,255	N/A	N/A	N/A
2	Add: Credits to account during year					
3	Contributions received during year	4,576	4,576			
4	Other credits*	-	-			
5	Total credits	4,576	4,576			
6	Deduct: Debits to Account during year					
7	Depreciation charges for year	20,936	20,936			
8	Non-depreciable donated property retired	-	-			
9	Other debits*	-	-			
10	Total debits	20,936	20,936			
11	Balance end of year	578,895	578,895			

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

FOOTNOTE 3

<u>COLUMN C DETAIL</u>	<u>Reference from A-17aa</u>	<u>CIAC</u>	<u>Accumulated Amortization</u>	<u>Net</u>
Balance beginning of year - 2013, unadjusted	AA	577,399	(161,408)	415,991
Prior period adjustment - cumulative amortization thru 12/31/2012	BB	249,859	(57,715)	192,144
Balance at beginning of year - 2013, as adjusted		827,258	(219,123)	608,135
Contributions received during year		7,900	-	7,900
Depreciation charges for year		-	(14,534)	(14,534)
Prior period adjustments - additional 2013 amortization on PPA assets	CC	-	(6,246)	(6,246)
Balance end of year - 2013, as adjusted		835,158	(239,903)	595,255
Balance at beginning of year - 2014		835,158	(239,903)	595,255
Contributions received during year		4,576		4,576
Depreciation charges for year			(20,936)	(20,936)
Balance end of year		839,734	(260,839)	578,895

See detailed calculations from 2000-2013 at Schedule A-17aa

CIAC additions have not been audited by UAFCB

CIAC PRIOR PERIOD ADJUSTMENT DETAIL AS OF 12/31/2012:

	333		335		339	
	<u>Water Mains</u>	<u>Service meter inst</u>	<u>Hydrants</u>	<u>Other equip</u>	<u>Total</u>	
331						
El Capitan Meadows Big Sandy Ext. to Sar	33,628.00	9,000.00	5,000.00	14,600.00	62,228.00	
El Capitan Meadows Phase 1	108,585.00	34,000.00	15,000.00	4,300.00	161,885.00	
El Capitan Meadows Phase 3	61,015.00	30,500.00	12,500.00	8,400.00	112,415.00	
Hollywood Park - Phase 1	38,275.00	22,500.00	7,500.00	11,000.00	79,275.00	
Hollywood Park - Phase 2	53,925.00	25,000.00	10,000.00	1,800.00	90,725.00	
Monterey Pines No. 1	111,455.00	15,500.00	20,000.00	11,000.00	157,955.00	
Monterey Pines No. 2	37,300.00	25,500.00	13,000.00	8,200.00	84,000.00	
Sahota Brother Clinton Subdivision	37,920.00	23,000.00	21,500.00	5,400.00	87,820.00	
	<u>482,103.00</u>	<u>185,000.00</u>	<u>104,500.00</u>	<u>64,700.00</u>	<u>836,303.00</u>	
Less: assets already on PUC books (allocated all to 331 water mains)	<u>(426,936.00)</u>	<u>(185,000.00)</u>	<u>(104,500.00)</u>	<u>(64,700.00)</u>	<u>(781,136.00)</u>	
	55,167.00	-	-	-	55,167.00	
Add: Advances on construction converted to CIAC 2004	194,692.00				194,692.00	
CIAC Prior Period Adjustment Additions	249,859.00	-	-	-	249,859.00	
Accumulated Amortization	(57,715.00)				(57,715.00)	
Net Prior Period Adjustment	<u>192,144.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,144.00</u>	

CIAC RECONCILIATION - PUC REPORT TO BOOKS/TAX RETURNS

	2012	2013
Fixed assets per book/tax depreciation schedules	1,874,204.00	2,029,734.00
Less:		
Water plant in service per PUC reports, Sch A, Line 5	2,655,340.00	2,713,741.00
Actual unsubstantiated variance	(781,136.00)	(684,007.00)
Add: Infrastructure additions	836,303.00	836,303.00
Remaining variance	<u>55,167.00</u>	<u>152,299.84</u>
Infrastructure additions-2004	55,167.00	55,167.00
RTR's to 317 other water source plant	-	15,552.01
Add back CP in-service 12/31/2012, not disposed 2013 as originally reported	-	82,576.83
Clerical error on 2013 PUC report corrected at 2014 beg bal	-	(1,000.00)
Total	<u>55,167.00</u>	<u>152,299.84</u>
	-	0.16

**SCHEDULE B
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
UTILITY OPERATING INCOME				
1	400	Operating Revenues	B-1	890,450
OPERATING REVENUE DEDUCTIONS				
2	401	Operating Expenses	B-2	572,492
3	403	Depreciation Expense	A-3	55,967
4	407	SDWBA Loan Amortization Expense	pages 7 & 8	N/A
5	408	Taxes Other Than Income Taxes	B-3	35,279
6	409	State Corporate Income Tax Expense	B-3	(339)
7	410	Federal Corporate Income Tax Expense	B-3	-
8		Total operating revenue deductions		663,399
9		Total utility operating income		227,051
OTHER INCOME AND DEDUCTIONS				
10	421	Non-utility Income	B-5	-
11	426	Miscellaneous Non-utility Expense	B-5	-
12	427	Interest Expense	B-6	-
13		Total other income and deductions		-
14		Net income		227,051

Per workpapers 227,051
Proof -

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	10,252	-	10,252
10		462.2 Private Fire Protection	-	-	-
11		Sub-total	10,252	-	10,252
12	465	Irrigation revenue	8,265	-	8,265
13	470	Metered water revenue			
14		470.1 Single-family Residential	718,562	744,554	(25,992)
15		470.2 Commercial and Multi-residential	153,221	152,297	924
16		470.3 Large Water Users	-	-	-
17		470.5 Safe Drinking Water Bond Surcharge	-	-	-
18		470.9 Other Metered Revenue	-	-	-
19		Sub-total	871,783	896,851	(25,068)
20		Total water service revenues	890,300	896,851	(14,816)
21	480	Other Water Revenue	150	20,141	(19,991)
22		Total operating revenues	890,450	916,992	(34,807)

NOTE A

NOTE A

NOTE A			
Prior Year Adjustment	<u>470.1</u>	<u>480</u>	
As Originally Reported	764,695	-	
Audit Adjustment	(20,141)	20,141	
Adjusted Balance	<u>744,554</u>	<u>20,141</u>	

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	81,056	81,223	(167)
3	616	Other Volume Related Expenses	2,679	2,593	86
4		Total volume related expenses	83,735	83,816	(81)
NON-VOLUME RELATED EXPENSES					
5	630	Employee Labor	45,305	69,274	(23,969)
6	640	Materials	5,335	24,618	(19,283)
7	650	Contract Work	10,260	11,385	(1,125)
8	660	Transportation Expenses	18,919	22,009	(3,090)
9	664	Other Plant Maintenance Expenses	27,427	49,261	(21,834)
10		Total non-volume related expenses	107,246	176,547	(69,301)
11		Total plant operation and maintenance exp.	190,981	260,363	(69,382)
ADMINISTRATIVE AND GENERAL EXPENSES					
12	670	Office Salaries	127,012	120,374	6,638
13	671	Management Salaries	128,712	123,859	4,853
14	674	Employee Pensions and Benefits	45,170	55,570	(10,400)
15	676	Uncollectible Accounts Expense	5,592	6,544	(952)
16	678	Office Services and Rentals	19,300	44,469	(25,169)
17	681	Office Supplies and Expenses	29,761	26,473	3,288
18	682	Professional Services	21,026	13,696	7,330
19	684	Insurance	27,330	33,634	(6,304)
20	688	Regulatory Commission Expense	13,820	13,910	(90)
21	689	General Expenses	7,695	13,195	(5,500)
22		Total administrative and general expenses	425,418	451,724	(26,306)
23	800	Expenses Capitalized	(43,907)	(10,041)	(33,866)
24		Net administrative and general expense	381,511	441,683	(60,172)
25		Total operating expenses	572,492	702,046	(129,554)

NOTE A

NOTE A

Prior Year Adjustment	616
As Originally Reported	4,044
Audit Adjustment	(1,451)
Adjusted Balance	<u>2,593</u>

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	10,710	10,710	-
2	State corporate franchise tax expense (benefit)	(339)	(339)	-
3	State unemployment insurance tax	1,380	1,380	-
4	Other state and local taxes	-	-	-
5	Federal unemployment insurance tax	671	671	-
6	Federal insurance contributions act	22,518	22,518	-
7	Other federal taxes	-	-	-
8	Federal income taxes	-	-	-
9	Total	34,940	34,940	-

SCHEDULE B-4
Reconciliation of Reported Net Income for Federal Income Taxes

- 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.
- 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.
- 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	227,051
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4	Income per tax return not on PUC report:	
5	A/R - Beg	57,070
6	Other receivables - Beg	-
7	Contributions in aid of construction	4,576
8	California franchise tax - Tax Refund	1,900
9	Gain / (loss) on asset disposal	-
10	Expenses per PUC report not on tax return:	
11	Prepaid CA Franchise Tax - Beg	-
12	Other Prepays - Beg	12,978
13	Accounts payable - End	1,850
14	Other current liabilities - End	3,466
15	Business meals - PUC	1,305
16	Accrued taxes - End	1,336
17	Deferred tax liability - End	-
18	Depreciation - PUC method	55,967
19	California franchise tax expense (benefit) - PUC	2,709
20	Income per PUC report not on tax return:	
21	A/R - End	(54,794)
22	Other receivables - End	-
23	(Gain) / loss on asset disposal	-
24	Expenses per tax return not on PUC report:	
25	Prepaid CA Franchise Tax - End	-
26	Other Prepays - End	(15,632)
27	Accounts payable - Beg (\$68,988 minus \$58,796 for fixed assets additions so n/a to F	(10,192)
28	Other current liabilities - Beg	(3,831)
29	Business meals @ 50%	1,564 (782)
30	Accrued taxes - Beg	(1,148)
31	Deferred tax liability - Beg	(670)
32	Depreciation - Tax, regular	(35,922)
33	Depreciation - Tax, Sec. 179	(141,212)
34	California franchise tax expense (benefit) - Tax	(1,900)
35	Federal tax net income (loss) - Schedule K	104,125
36		
37	State adjustments	81,745

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	45,305	29,954	15,351	45,305
2	670	Office salaries	127,012	122,388	4,624	127,012
3	671	Management salaries	128,712	104,781	23,931	128,712
4						-
5						-
6		Total	301,029	257,123	43,906	301,029

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: _____ No: X (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.	N/A
3.	Date of original contract or agreement:	_____
4.	Date of each supplement or agreement:	_____
5.	Amount of compensation paid during the year for supervision or management:	\$ _____
6.	To whom paid: _____	
7.	Nature of payment (salary, traveling expenses, etc.): _____	
8.	Amounts paid for each class of service: _____	
9.	Basis for determination of such amounts: _____	
10.	Distribution of payments:	Amount
	(a) Charged to operating expenses	\$ _____
	(b) Charged to capital amounts	\$ _____
	(c) Charged to other account	\$ _____
	Total	\$ _____
11.	Distribution of charges to operating expenses by primary accounts: Number and Title of Account:	Amount
	_____	\$ _____
	_____	\$ _____
	Total	\$ _____
12.	What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
	* 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 CCF	Annual Quantities Pumped CCF	Remarks
Line No.	At Plant (Name or Number)	Location	No.	Dimensions	Depth to Water ¹			
6	Well No. 4	Santa Fe		16"	70'	2,000	10,967	
7	Well No. 5	Balsam/Poplar		16"	70'	900	177,574	
8	Well No. 6	Meadowbrook		16"	65'	1,200	1,860,034	
9								
10						4,100	2,048,575	

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		193,600	Pressure tanks in gallons @ full capacity
12	Concrete			
13	Total		193,600	

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	N/A							
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	N/A							
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						5,250		18,375	3,150
19	Welded steel									
20	Wood									2,700
21	Other (specify)						580		14,438	52,660
22	Total	-	-	-	-	-	5,830	-	32,813	58,510

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		825							825
24	Cast iron (cement lined)									-
25	Concrete									-
26	Copper									-
27	Riveted steel									-
28	Standard screw									-
29	Screw or welded casing									-
30	Cement - asbestos									26,775
31	Welded steel									-
32	Wood									2,700
33	Other (specify)	7,350	825							75,853
34	Total	7,350	1,650	-	-	-	-	-	-	106,153

**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	1,542	1,560	-
3/4 - in	2	1	-	-
1 - in	48	53	-	-
- in	1	4	-	-
- in	9	7	-	-
- in	2	2	-	-
- in	14	12	-	-
- in	-	-	-	-
Other	-	-	-	-
Total	1,618	1,639	-	-

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

Size	Meters	Services
5/8 x 3/4 - in	1,585	1,540
3/4 - in	1	1
1 - in	54	52
1-1/2 - in	4	3
2 - in	9	8
3 - in	3	3
4 - in	8	8
- in	-	-
Other	-	-
Total	1,664	1,615

**SCHEDULE D-6
Meter Testing Data**

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

**SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in (Unit Chosen)¹**

	During Current Year							Subtotal
	January	February	March	April	May	June	July	
Single-family residential	20,683	19,782	18,277	24,675	32,806	46,023	42,412	204,658
Commercial and Multi-residential	6,295	6,106	5,682	7,633	8,963	7,293	11,030	53,002
Large water users								-
Public authorities								-
Irrigation	42	84	64	163	319	570	555	1,797
Other (specify)								-
Total	27,020	25,972	24,023	32,471	42,088	53,886	53,997	259,457

	During Current Year						Subtotal	Total	Total Prior Year
	August	September	October	November	December				
Single-family residential	42,781	38,539	31,578	22,283	15,767	150,948	355,606	392,830	
Commercial and Multi-residential	19,471	11,344	10,149	6,414	3,587	50,965	103,967	79,159	
Large water users						-	-	-	
Public authorities						-	-	5,537	
Irrigation	568	436	410	66	-	1,480	3,277	13,242	
Other (specify)						-	-	-	
Total	62,820	50,319	42,137	28,763	19,354	203,393	462,850	490,769	

¹ Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated: 6.6

Total population served: 6500

**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?	No
2. Are you having routine laboratory tests made of water served to your consumers?	Y
3. Do you have a permit from the State Board of Public Health for operation of your water system?	Y
4. Date of permit: 6/29/64 AS AMENDED 2/25/09	
5. If permit is "temporary", what is the expiration date?	N/A
6. If you do not hold a permit, has an application been made for such permit?	N/A
7. If so, on what date?	N/A

**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.

N/A

**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 (SRF) loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: N/A
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

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

\$ N/A

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
5/8 X 3/4 inc		
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	\$ <u>N/A</u>
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:

N/A

**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	This schedule is N/A					
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: N/A
 Address: _____
 Account Number: _____
 Date Opened: _____

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

A. Commercial

NAME	AMOUNT
N/A	\$
	\$
	\$
	\$

B. Residential

NAME	AMOUNT
N/A	\$
	\$
	\$
	\$

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ N/A
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:

 N/A

DECLARATION

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

I, the undersigned CHIEF EXECUTIVE OFFICER
Officer, Partner, or Owner (Please Print)

of MEADOWBROOK WATER CO OF MERCED, INC.
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, 2014, through December 31, 2014.

CEO
Title

David L. Walker
Signature

(209) 722-1069
Telephone Number

Date

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