

Antelope

Received _____

Statistics _____

Revenue _____

Examined _____

**CLASS B and C
WATER UTILITIES**

1986
ANNUAL REPORT

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

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 1986

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 1986
(FILE TWO COPIES IF THREE RECEIVED)

INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed NOT LATER THAN MARCH 31, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
STATE BUILDING, CIVIC CENTER
SAN FRANCISCO, CALIFORNIA 94102**

2. Failure to file the report on time will subject a public utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath, on the last page, must be signed by an officer, partner or owner, not by a public accountant.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be submitted.
5. Every schedule must be filled in, and every question answered LEAVE NO SCHEDULE BLANK. Insert the words "none" or "not applicable (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 a footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report.
9. This report must cover a calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

Name of Utility ANTELOPE Valley Water Co Phone: (213) -834-2125Person Preparing this Report M. BOOTH

(Prepared from Information in 198 Annual Report)

(Omit Cents)

BALANCE SHEET DATA		Jan. 1, 198	Dec. 31, 198	Annual Average
1	Intangible Water Plant In Service	3605	3605	3605
2	Land and Land Rights In Service	14128	12665	13397
*3	Depreciable Plant In Service	1929054	1650434	1789744
*4	Gross Plant In Service	1946787	1666704	1806746
*5	Less: Depreciation Reserve	530656	587657	559157
6	Net Water Plant In Service	1416131	1079047	1247589
7	Water Plant Held for Future Use			
8	Construction Work In Progress - Water	4776	1368	3072
9	Materials and Supplies - Water	1894	1805	1850
10	Less: Adv. for Construction	264343	345444	304894
11	Less: Contrib. in Aid of Constr.	28344	32072	30208
12	Less: Accum. Deferred Inc. Tax Credits	88475	94163	91319
*13	Net Plant Investment	1041639	610541	826090
CAPITALIZATION		XXXXXXX	XXXXXXX	XXXXXXXXX
14	Common Stock	153915	153915	153915
15	Proprietary Capital (Ind. or Part)			
16	Cap. Surplus, Cap. Stk. Prem. & Exp. (Net)	743801	743801	743801
17	Earned Surplus	159814	219034	189424
*18	Common Equity (Lines 14 through 17)	903615	962835	933225
19	Preferred Stock			
20	Notes Payable			
21	Long-Term Debt (Debt in Excess of 12 Mos)			
*22	Advances for Construction (Water)	264343	345444	304894
23	Total Capitalization (Lines 18 thru 22)	1321873	1462194	1392033
INCOME STATEMENT				Annual Amount
24	Metered Water Revenue			474900
25	Unmetered Water Revenue			2052
26	Fire Protection Revenue			
*27	Irrigation and Other Water Revenue			426952
*28	Total Operating Revenue			295710
*29	Total Operating Expenses			47563
*30	Depreciation (Composite Rate) 3.28%			
31	Amortization and Property Losses			
32	Property Taxes			14937
33	Other Taxes (Excluding Income Taxes)			
34	Total Operating Revenue Deductions (Before Taxes on Income)			358210
35	California Corporation Franchise Tax			7926
36	Federal Corporate Income Tax			29455
37	Total Operating Revenue Deduction (After Taxes on Income)			395591
38	Net Operating Income - California Water Operations (Loss)			31361
39	Other Operating and Nonoperating Inc. & Exp. - Net (Excl. Int. Exp.)			27859
40	Income Available for Fixed Charges			59220
41	Interest Expense			
42	Net Income Before Dividends (Loss)			59220
43	Preferred Stock Dividends			
*44	Net Income Available for Common Stock (Loss)			59220
OTHER DATA				XXXXXXXXX
*45	Refunds of Advances for Construction			50387
*46	Total Payroll Charged to Operating Expenses			62921
47	Purchased Water (Account No. 704)			17790
48	Fuel on Power Purchased for Pumping (Account No. 726)			66562
Active Serv. Connect. (Ex. Fire Protection)		Jan. 1, 198	Dec. 31, 198	Annual Average
49	Metered Serv. Connect. " " "	1708	1171	1440
50	Flat Rate Serv. Connect. " " "	15	15	15
*51	Total Active Serv. Connect. " " "	1723	1186	1455

*Must Be Completed by All Utilities in All Classes in Addition to Other Applicable Lines (Rev. 1-

** Indicate the following revenue included in item 27:
Sales to other utilities for resale (Acct. 606)

\$

GENERAL INFORMATION

1. Name under which utility is doing business: ANTELOPE VALLEY WATER CO.

2. Official mailing address: P.O. BOX 9351

LONG BEACH CALIFORNIA

ZIP 90810

3. Name and title of person to whom correspondence should be addressed:

CHARLES W. PORTER, President

Telephone: 775-2301

4. Address where accounting records are maintained: 21718 So. Alameda Street
Long Beach, CA. 90810

5. Service Area: (Refer to district reports if applicable). Four Non-contiguous service areas
in the Antelope Valley Region (Kern and Los Angeles Counties)

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

Name: John R. Foth

Address: 21718 So. Alameda Street

Telephone: 775-2301

Long Beach, CA. 90810

7. OWNERSHIP. Check and fill in appropriate line:

☐ Individual (name of owner)

☐ Partnership (name of partner)

☐ Partnership (name of partner)

☐ Partnership (name of partner)

☒ Corporation (corporate name) Antelope Valley Water Co.

Organized under laws of (state) California

Date: 6-29-56

Principal Officers:

(Name) C. W. PORTER

(Title) PRESIDENT

(Name) J. TOOTLE

(Title) VP-FINANCE

(Name) R. RITTIGERS

(Title) SECRETARY

(Name)

(Title)

8. Names of associated companies: KERNVILLE DOMESTIC WATER CO. AND DOMINGUEZ
WATER CORPORATION

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:

Date:

Date:

Date:

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

SCHEDULE B

INCOME STATEMENT

[illegible]

**SCHEDULE A-1
UTILITY PLANT**

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	101	Water plant in service	1946786.65	96296.79	376378.71		1666704.73
2	103	Water Plant held for future use					
3	104	Water plant purchased or sold					
4	105	Construction work in progress—water plant	4776.14	212925.98	XXXXXXXXXX	216334.48	1367.64
5	114	Water plant acquisition adjustments	<898.19>		XXXXXXXXXX		<898.19>
6		Total utility plant					
			1950664.60	309222.77	376378.71	216334.48	1667174.18

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

**SCHEDULE A-1a
Account No. 101—Water Plant in Service**

Line No.	Acct. No.	Title of Account (a)	Balance 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	8605.47				
2	301	Intangible plant	13728.12		1062.52		8605.47
3	303	Land					12665.60
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures	15413.70		2617.86		12795.84
7	307	Wells	105784.45		33367.33		72417.12
8	317	Other water source plant	20337.19				20337.19
9	311	Pumping equipment	208603.43		38588.95		170014.48
10	320	Water treatment plant	37601.47		12771.50		24829.97
11	330	Reservoirs, tanks and sandpipes	299258.10		49723.07	<47117.37>	202417.66
12	331	Water mains	919205.66	89095.26	146891.77	47117.37	908526.52
13	333	Services and meter installations	180643.91	3683.32	54562.42		129774.75
14	334	Meters	78933.33	3508.21	28809.80		53631.74
15	335	Hydrants	57234.67		7983.43		49251.24
16	339	Other equipment	479.88				479.88
17	340	Office furniture and equipment	257.27				257.27
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service	1946786.65	96296.79	376378.71		1666704.73

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

SCHEDULE A-1b

Account No. 103—Water Plant Held for Future Use

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

SCHEDULE A-2

Account No. 121—Non-utility Property and Other Assets

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1		170 000.00
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	170 000.00

SCHEDULE A-3

Account Nos. 108 and 122—Depreciation and Amortization Reserves

Line No.	Item (a)	Account 108 Water Plant (b)	Account 108.1 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	530656.35		
2	Add Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	47563.00		
4	(b) Charged to Account No. 272	9438.06		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total credits	57001.06		
9	Deduct Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			
12	(c) All other debits (Footnote 3)			
13	Total debits			
14	Balance in reserve at end of year	587657.41		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE 3.28%			
16				
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19				
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS:			
24				
25				
26				
27				
28				
29	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION			
30	(a) Straight Line	[]		
31	(b) Liberalized	[]		
32	(1) Sum of the years digits	[]		
33	(2) Double declining balance	[]		
34	(3) Other	[]		
35	(c) Both straight line and liberalized	<input checked="" type="checkbox"/>		

SCHEDULE A-3a

Account No. 108—Analysis of Entries in Depreciation Reserve

Line No.	Acct. No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excl. Cost of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures	9270.76	636.98	1871.56		8036.18
2	307	Wells	56294.47	2250.13	19912.95		38631.65
3	317	Other water source plant	7608.08	542.00			8150.08
4	311	Pumping equipment	101399.84	9310.10	24531.61		86178.33
5	320	Water treatment plant	13208.73	1383.38	2597.31		11994.80
6	330	Reservoirs, tanks and sandpipes	34605.15	7588.74	6059.05		36134.84
7	331	Water mains	211507.68	15932.85	46026.44		181414.09
8	333	Services and meter installations	50514.40	4731.10	15426.10		39819.40
9	334	Meters	29378.49	4612.39	11869.45		21115.43
10	335	Hydrants	17627.92	1211.33	4499.83		14339.42
11	339	Other equipment	138.00	103.00			241.00
12	340	Office furniture and equipment	108.83	17.00			125.83
13	341	Transportation equipment					
14		Total	530656.35	48319.00	132794.30		446181.05

SCHEDULE A-4

Account No. 174—Other Current Assets

Line No.	Item (a)	Amount (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10		
	Total	

SCHEDULE A-5
Accounts Nos. 180 and 253—Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.

2. Show premium amounts in red or by enclosure in parentheses.

3. In column (b) show the principal amount of bonds or other long-term debt originally issued.

4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.

5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, 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 undeposited amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From— (d)	To— (e)				
1	NONE								
2									
3									
4									
5									
6									
7									
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28									

SCHEDULE A-5

6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

applicable to issues which were redeemed in prior years.

Credits during year	Balance year

[illegible]

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	1969	2500	275	567	153914.88		
2								
3								
4						153914.88	Total	
5								
6								

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	DOMINGUEZ WATER CORP.	567	NONE	
2				
3				
4				
5				
6	Total number of shares		567	
7			Total number of shares	

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

Account No. 211—Other Paid in Capital (Corporations only)		
Line No.	Type of Paid in Capital (a)	Balance End of Year (b)
1		743 800.90
2		
3		
4		
Total		743 800.90

Account No. 215—Retained Earnings
(Corporations Only)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	159,814.07
2	CREDITS	59,220.18
3	Net Income	
4	Prior period adjustments	
5		
6		
7	DEBITS	
8	Net Losses	
9	Prior period adjustments	
10	Dividend appropriations—preferred stock	
11	Dividend appropriations—common stock	
12		
13	Balance end of year	219,034.25

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

Line No.	Item (a)	Amount (b)
1	Balance beginning of year <i>NONE</i>	
2	CREDITS	
3	Net Income	
4	Additional investments during year	
5	Other credits (detail)	
6		
7	DEBITS	
8	Net Losses	
9	Withdrawals during year	
10	Other debits (detail)	
11		
12	Balance end of year	

Account No. 224—Long Term Debt

Line No.	Class (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
1	NONE							
2								
3								
4								
5								
6	Totals							

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	DOMINGUEZ WATER CORPORATION	300 000.00			
2					
3					
4	Totals	300 000.00			

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	OPEN ACCOUNT	18 197.37	—	—	—
2					
3					
4	Totals	18 197.37			

SCHEDULE A-14

Account No. 241—Other Current Liabilities

Line No.	Description (a)	Balance End of Year (b)
1	<i>PDC Surcharge</i>	<i>6264.78</i>
2		
3		
4		
5	Total	<i>6264.78</i>

SCHEDULE A-15

Account No. 252—Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXXXXXX	<i>264342.64</i>
2	Additions during year	XXXXXXXXXXXXXXXXXX	<i>131488.00</i>
3	Subtotal—Beginning balance plus additions during year	XXXXXXXXXXXXXXXXXX	<i>395830.64</i>
4	Charges during year:	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	<i>50387.10</i>	XXXXXXXXXXXXXXXXXX
7	Proportionate cost basis		XXXXXXXXXXXXXXXXXX
8	Present worth basis		XXXXXXXXXXXXXXXXXX
9	Total refunds	<i>50387.10</i>	XXXXXXXXXXXXXXXXXX
10	Transfers to Acct. 271, Contributions in aid of Construction	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts		XXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 271		XXXXXXXXXXXXXXXXXX
14	Securities Exchanged for Contracts (Enter detail below)		XXXXXXXXXXXXXXXXXX
15	Subtotal—charges during year		
16	Balance end of year	XXXXXXXXXXXXXXXXXX	<i>345443.54</i>

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		<i>24563.00</i>	<i>69600.00</i>	
2				
3				
4				
5	Totals	<i>24563.00</i>	<i>69600.00</i>	

Account No. 271—Contributions in Aid of Construction
Instructions for Preparation of Schedule of Contributions in Aid of Construction

¹ The credit balance in the account other than that portion of the balance relating to nondepreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 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 nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.

³ That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 (e)	Depreciation Accrued Through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	32828.03	32828.03			
2	Add: Credits to account during year					
3	Contributions received during year					
4	Other credits *					
5	Total credits					
6	Deduct: Debits to account during year	756.00	756.00			
7	Depreciation charges for year					
8	Nondepreciable donated property retired					
9	Other debits *	756.00	756.00			
10	Total debits	32072.03	32072.03			
11	Balance end of year					

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

Account No. 400—Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
1		WATER SERVICE REVENUES			
2	460	Unmetered water revenue	2052.00	1971.68	80.32
3		460.1 Single-family residential			
4		460.2 Commercial and multi-residential			
5		460.3 Large water users			
6		460.5 Safe Drinking Water Bond Surcharge			
7		460.9 Other unmetered revenue			
8		Sub-total			
9	462	Fire protection revenue			
10		462.1 Public fire protection			
11		462.2 Private fire protection			
12		Sub-total			
13	465	Irrigation revenue			
14	470	Metered water revenue	418119.51	530421.70	<112302.19>
15		470.1 Single-family residential			
16		470.2 Commercial and multi-residential			
17		470.3 Large water users			
18		470.5 Safe Drinking Water Bond Surcharge			
19		470.9 Other metered revenue PUC Surcharge	6264.89	8019.70	<1754.81>
20		Sub-total			
21		Total water service revenues			
22	480	Other water revenue	515.70	<727.93>	1243.63
23		Total operating revenues	426952.10	539685.15	<112733.05>

SCHEDULE B-2
Account No. 401—Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
1		PLANT OPERATION AND MAINTENANCE EXPENSES			
2		VOLUME RELATED EXPENSES			
3	610	Purchased water	17789.83	11654.85	6134.98
4	615	Power	66561.92	82973.24	<16411.32>
5	616	Other volume related expenses			
6		Total volume related expenses			
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee labor	62921.27	46742.72	16178.55
9	640	Materials			
10	650	Contract work			
11	660	Transportation expenses	26244.95	21777.68	4467.27
12	664	Other plant maintenance expenses	29884.85	75945.87	<46061.02>
13		Total non-volume related expenses			
14		Total plant operation and maintenace exp.			
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	17220.00	17220.00	
17	671	Management salaries			
18	674	Employee pensions and benefits	21505.83	20452.36	1053.47
19	676	Uncollectible accounts expense	3600.00	3600.00	
20	678	Office services and rentals	23768.54	10044.80	13723.74
21	681	Office supplies and expenses	5964.96	5463.95	501.01
22	682	Professional services			
23	684	Insurance	13017.47		13017.47
24	688	Regulatory commission expense	7064.18	8019.70	<955.52>
25	689	General expenses	166.48	5496	111.52
26		Total administrative and general expenses			
27	800	Expenses capitalized			
28		Net administrative and general expenses			
29		Total operating expenses	295710.28	303950.13	<8239.85>

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	14936.94	14936.94	
2	State corporate franchise tax	7926.00	7926.00	
3	State unemployment insurance tax			
4	Other state and local taxes			
5	Federal unemployment insurance tax			
6	Federal insurance contributions act	29455.00	29455.00	
7	Other federal taxes			
8	Federal income taxes			
9	Totals	52317.94	52317.94	
10				
11				

SCHEDULE B-4

Reconciliation of Reported Net Income for Federal Income Taxes

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	\$
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additional deductions and non-taxable income):	
3	ANTELOPE VALLEY FILES A CONSOLIDATED TAX	
4	RETURN WITH PARENT COMPANY (DOMINGUEZ WTR Corp)	
5		
6		
7		
8		
9		
10	Federal tax net income	
11	Computation of tax:	
12		
13		
14		
15		
16		
17		

SCHEDULE B-5

Account No. 421 and 426—Income from Nonutility Operations

Line No.	Description (a)	Revenues Acct. 421 (b)	Expenses Acct. 426 (c)
1	INTEREST INCOME CHINA LAKE NOTE	46,313.40	20,464.26
2	SALE OF ASSETS CHINA LAKE AND INYOKEEN	53,967.95	<2739.96>
3	CASH JOURNALS	<461.59>	
	Total	99,819.76	17,724.30

SCHEDULE B-6

Account No. 427—Interest Expense

Line No.	Description (a)	Amount (b)
1		54,236.16
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	54,236.16

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		62,921.27		62,921.27
2	670	Office salaries				
3	671	Management salaries				
4						
5		Total		62,921.27		62,921.27
6						

Loans to Directors, Officers, or Shareholders

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (f)	Security Given (g)	Date of Shareholder Authorization (h)	Other Information (i)
1	NONE							
2								
3								
4								
5								
6								
7		Total						

SCHEDULE C-3

Engineering and Management Fees and Expenses, Etc., During Year

Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the 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.

Line No.	1. Did the respondent have a contract or other agreement with any organization or person covering supervision and/or management of its own affairs during the year? Answer: (Yes or No) YES	2. Name of each organization or person that was a party to such a contract or agreement.	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:	11. Distribution of charges to operating expenses by primary accounts.	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?
1												
2												
3												
4												
5		DOMINGUEZ WATER CORPORATION AND ANTELOPE VALLEY WATER CO.			\$ 17,220.00							
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												

* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.

Sources of Supply and Water Developed

[illegible]

* State ditch, pipe line, reservoir, etc., with name, if any.
 * Average depth to water surface below ground surface.
 * The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet. In domestic use the thousand 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

SCHEDULE D-2
Description of Storage Facilities

SCHEDULE D-2				
Description of Storage Facilities				
Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs	2	164000	GALLONS
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks	15	570590	GALLONS
10	Wood			
11	Metal			
12	Concrete			
13	Totals	17	734590	

Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES

Line No.		Capacities in Cubic Feet Per Second or Miner's Inches (State Which)					
		0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50
1	Ditch	NONE					
2	Flume						
3	Lined conduit						
4	Totals						
5							

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES—Concluded

Line No.		Capacities in Cubic Feet Per Second or Miner's Inches (State Which)						Total All Lengths
		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	
6	Ditch	NONE						
7	Flume							
8	Lined conduit							
9	Totals							
10								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES—NOT INCLUDING SERVICE PIPING

Line No.		1	1½	2	2½	3	4	5	6	8
11	Cast iron									
12	Cast iron (cement lined)									
13	Concrete									
14	Copper					1574	1966	956		
15	Riveted steel	8129	2690	8730					61420	29038
16	Standard screw					670	25633		4747	1013
17	Screw or welded casing						17252			
18	Cement—asbestos			19702					6200	
19	Welded steel					2685				
20	Wood			550		4929	44851	956	72367	30051
21	Other (specify) PLASTIC	500								
22	Totals	8629	2690	28982						

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES—NOT INCLUDING SERVICE PIPING—Concluded

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)	Totals All Sizes
23	Cast iron								
24	Cast iron (cement lined)								
25	Concrete								2401
26	Copper								
27	Riveted steel								1278
28	Standard screw								436
29	Screw or welded casing								
30	Cement—asbestos	11109							99
31	Welded steel		930						265
32	Wood								
33	Other (specify) PLASTIC								
34	Totals	11109	930						

SCHEDULE D-5 Number of Active Service Connections

Classification	Metered—Dec. 31		Flat Rate—Dec. 31	
	Prior Year	Current Year	Prior Year	Current Year
Single-family residential	1708	1171	15	15
Commercial and Multi-residential				
Large water users				
Public authorities				
Irrigation				
Other (specify)				
Subtotal				
Private fire connections				
Public fire hydrants				
Total	1708	1171	15	15

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

Size	Meters	Services
3/4 x 1/2-in.	1031	XXXXXXXXXX
1/2-in.	43	
1-in.	100	
1 1/2-in.	16	
2-in.	2	
-in.		
-in.		
-in.		
Other		
Total	1186	

SCHEDULE D-6 Meter Testing Data

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:

1. New, after being received	0
2. Used, before repair	0
3. Used, after repair	0
4. Found fast, requiring billing adjustment	

B. Number of Meters in Service Since Last Test:

1. Ten years or less	
2. More than 10, but less than 15 years	
3. More than 15 years	

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

Classification of Service	During Current Year						Subtotal	Total	Total Prior Year
	January	February	March	April	May	June			
Single-family residential	24775	3854	24819	5364	52080	9458	120350		
Commercial and Multi-residential									
Large water users									
Public authorities									
Irrigation									
Other (specify)									
Total	24775	3854	24819	5364	52080	9458	120350		
Classification of Service	During Current Year						Subtotal	Total	Total Prior Year
	July	August	September	October	November	December			
Single-family residential	75651	9231	77971	9752	40893	4174	217672	338022	466636
Commercial and Multi-residential									
Large water users									
Public authorities									
Irrigation									
Other (specify)									
Total	75651	9231	77971	9752	40893	4174	217672	338022	466636

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 _____

SCHEDULE D-8
Status With State Board of Public Health

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 **VARIOUS 1957 → 1986**

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.

**ALL MANAGEMENT AND OPERATIONAL SERVICES ARE PERFORMED
FOR ANTELOPE VALLEY WATER CO. BY DOMINGUEZ WATER CORPORATION.**

**ADMINISTRATIVE SERVICES ARE PROVIDED UNDER AN AGREEMENT
WHICH FORMALIZES THE ARRANGEMENT WITH THE PARENT COMPANY**

DECLARATION

Before Signing Please Check to See That All Schedules Have been Completed

(See Instruction 3 on front cover)

I, the undersigned **OFFICER**

Officer, Partner or Owner

of **ANTELOPE VALLEY WATER COMPANY**

Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period from and including **JANUARY 1, 1986**, to and including

_____ 19__

SIGNED _____

Title _____

Date _____

