ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

C

W-02370A
Chino Meadows II Water Company
P. O. Box 350
Chino Valley AZ 863230350

RECEIVED

APR 22 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004

FOR COMMISSION USE

ANN04	04

COMPANY INFORMATION

Company Name (Business Name) CHINO MEADOWS II WATER COMPANY, INC.

Mailing Address 2465 W. Shane Drive
(Street)

Prescott (City) AZ (State) 86305 (Zip)

(928)717-2616 Telephone No. (Include Area Code) (928)717-2621 Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

Local Office Mailing Address Same as above
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: PAUL D. LEVIE (Name) PRESIDENT (Title)

2465 W. Shane Dr. (Street) Prescott (City) AZ (State) 86305 (Zip)

(928) 717-2616 Telephone No. (Include Area Code) (928)717-2621 Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

On Site Manager: Same as above
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

[X] **Please mark this box if the above address(es) have changed or are updated since the last filing.**

Statutory Agent: PAUL D. LEVIE
(Name)

2465 W. Shane Dr. (Street) Prescott (City) AZ (State) 86305 (Zip)

(928) 717-2616 Telephone No. (Include Area Code) (928)717-2621 Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Paul D. Levie
(Name)

Same as above (Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☐ **Partnership (P)**
- ☐ **Bankruptcy (B)**
- ☐ **Receivership (R)**
- ☐ **Other (Describe)**
- ☒ **C Corporation (C) (Other than Association/Co-op)**
- ☐ **Subchapter S Corporation (Z)**
- ☐ **Association/Co-op (A)**
- ☐ **Limited Liability Company**

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE	☐ COCHISE	☐ COCONINO
☐ GILA	☐ GRAHAM	☐ GREENLEE
☐ LA PAZ	☐ MARICOPA	☐ MOHAVE
☐ NAVAJO	☐ PIMA	☐ PINAL
☐ SANTA CRUZ	☒ YAVAPAI	☐ YUMA
☐ STATEWIDE		

COMPANY NAME CHINO MEADOWS II WATER COMPANY, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	$ 6,843.02	$ 4,796.50	$ 2,046.52
302	Franchises			
303	Land and Land Rights	$ 15,204.06		$ 15,204.06
304	Structures and Improvements	$ 44,339.01	$ 18,237.58	$ 26,101.43
305	Collecting & Improved Res.	$ 4,349.74	$ 1,583.63	$ 2,766.11
307	Wells and Springs	$ 27,448.37	$ 17,260.59	$ 10,187.78
309	Supply Mains	$ 1,009.21	$ 441.64	$ 567.57
311	Pumping Equipment	$ 43,340.98	$ 19,424.22	$ 23,916.76
320	Water Treatment Equipment	$ 2,804.75	$ 1,423.73	$ 1,381.02
330	Distribution Reservoirs and Standpipes	$ 51,683.88	$ 33,089.32	$ 18,594.56
331	Transmission and Distribution Mains	$266,539.46	$193,109.50	$ 73,429.96
333	Services	$ 30,067.16	$ 14,939.06	$ 15,128.10
334	Meters and Meter Installations	$ 74,838.74	$ 39,265.42	$ 35,573.32
335	Hydrants	$12,041.55	$ 4,955.55	$ 7,086.00
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	$ 16,479.61	$ 1,606.77	$ 14,872.84
340	Office Furniture and Equipment	$ 8,621.15	$ 4,275.58	$ 4,345.57
341	Transportation Equipment	$ 71,888.17	$ 15,996.07	$ 55,892.10
343	Tools, Shop and Garage Equipment	$ 949.18	$ 323.86	$ 625.32
344	Laboratory Equipment			
345	Power Operated Equipment	$ 24,704.47	$ 11,094.17	$ 13,610.30
346	Communication Equipment			
347	Computer Software Miscellaneous Equipment	$ 22,083.50	$ 718.24	$ 21,365.26
348	Other Tangible Plant			
	TOTALS	$725,236.01	$382,541.43	$342,694.58

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME CHINO MEADOWS II WATER COMPANY, INC.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	$ 6,843.02	5%	$ 342.15
302	Franchises			
303	Land and Land Rights	$ 15,204.06	0	0
304	Structures and Improvements	$ 44,339.01	5%	$ 2,216.96
305	Collecting & Improved Res	$ 4,349.74	5%	$ 217.49
307	Wells and Springs	$ 27,448.37	5%	$ 1,157.41
309	Supply Mains	$ 1,009.21	5%	$ 50.46
311	Pumping Equipment	$ 43,340.98	5%	$ 2,014.58
320	Water Treatment Equipment	$ 2,804.75	5%	$ 140.23
330	Distribution Reservoirs and Standpipes	$ 51,683.88	5%	$ 2,584.19
331	Transmission and Distribution Mains	$266,539.46	5%	$12,538.18
333	Services	$ 30,067.16	5%	$ 1,303.48
334	Meters and Meter Installations	$ 74,838.74	5%	$ 3,741.96
335	Hydrants	$ 12,041.55	5%	$ 602.08
336	Backflow Prevention Devices			
339	Other Plant and ~~Misc. Equipment~~ Structures	$ 1,304.73 $ 15,174.88	5% 2.5%	$ 65.24 $ 379.37
340	Office Furniture and Equipment	$ 8,621.15	5%	$ 431.05
341	Transportation Equipment	$ 71,888.17	5%	$ 3,594.41
343	Tools, Shop and Garage Equipment	$ 949.18	5%	$ 47.46
344	Laboratory Equipment			
345	Power Operated Equipment	$ 24,704.47	5%	$ 1,235.22
346	Communication Equipment			
347	Miscellaneous Equipment -Software	$ 22,083.50	3.3%	$ 718.24
348	Other Tangible Plant			
	TOTALS	$725,236.01		$33,380.16

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME	CHINO MEADOWS II WATER COMPANY

BALANCE SHEET

Acct .No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 413.01	$ 34,112.06
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	$ 57,489.17	$ 26,125.42
146	Notes/Receivables from Associated Companies	$ 103.56	
151	Plant Material and Supplies	$ 15,723.40	$ 3,136.40
162	Prepayments	$ 2,860.00	$ 2,860.00
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	$ 76,589.14	$ 66,233.88
	FIXED ASSETS		
101	Utility Plant in Service	$648,521.64	$724,636.93
103	Property Held for Future Use	1,572.67	298.47
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(349,161.27)	(382,521.45)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$300,933.04	$342,413.95
	TOTAL ASSETS	$377,522.18	$408,647.83

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME CHINO MEADOWS II WATER COMPANY

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$ 1,730.02	$ 3,216.40
232	Notes Payable (Current Portion)	32,000.00	32,927.22
234	Notes/Accounts Payable to Associated Companies	10,200.00	28,481.27
235	Customer Deposits	27,657.95	32,077.88
236	Accrued Taxes	8,053.71	(773.99)
237	Accrued Interest		(100.92)
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	$ 79,641.68	$ 95,827.86
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$ 27,419.35	$ 23,865.20
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	$	$
252	Advances in Aid of Construction	114,793.04	121,539.22
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	12,473.78	12,473.78
272	Less: Amortization of Contributions	(2,630.87)	(2,630.87)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	$124,635.95	$131,382.13
	TOTAL LIABILITIES	$231,696.98	$251,075.19
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$ 8,597.00	$ 8,597.00
211	Paid in Capital in Excess of Par Value	80,266.00	80,266.00
215	Retained Earnings	1,675.00	(47,166.98)
218	Proprietary Capital (Sole Props and Partnerships)Net Income	(43,102.27)	16,801.22
	TOTAL CAPITAL Opening Bal Equity	$142,202.27	$142,177.67
	Treasury Stock	(43,102.27)	(43,102.27)
	Total Capita	145,825.20	157,572.64
	TOTAL LIABILITIES AND CAPITAL	$377,522.18	$408,647.83

COMPANY NAME CHINO MEADOWS II WATER COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 309,228.86	$317,940.14
460	Unmetered Water Revenue		
474	Other Water Revenues	3,749.76	5,470.65
	TOTAL REVENUES	$ 312,978.62	$323,410.79
	OPERATING EXPENSES		
601	Salaries and Wages	$ 140,437.25	$ 98,000.12
610	Purchased Water		296.08
615	Purchased Power	13,678.18	17,881.40
618	Chemicals	155.49	
620	Repairs and Maintenance	28,153.43	28,425.70
621	Office Supplies and Expense	30,917.91	17,876.79
630	Outside Services	18,534.08	25,726.31
635	Water Testing	2,597.05	4,032.43
641	Rents	9,750.00	9,000.00
650	Transportation Expenses	40,218.90	24,732.26
657	Insurance – General Liability	10,886.00	15,824.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	672.62	1,155.34
675	Miscellaneous Expense	299.60	2,834.01
403	Depreciation Expense	31,478.83	33,360.18
408	Taxes Other Than Income	5,381.17	5,992.98
408.11	Property Taxes	12,003.83	14,073.70
409	Income Tax	3,631.57	309.50
	TOTAL OPERATING EXPENSES	$ 348,795.91	$299,520.80
	OPERATING INCOME/(LOSS)	$ (35,817.29)	$ 23,889.99
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	$	$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		(2,049.71)
427	Interest Expense	(7,970.90)	(5,039.06)
	TOTAL OTHER INCOME/(EXPENSE)	$ (7,970.90)	$ (7,088.77)
	NET INCOME/(LOSS)	$ (43,788.19)	$ 16,801.22

COMPANY NAME CHINO MEADOWS II WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	6/13/96	7/03/98		
Source of Loan	Wells Fargo	Bank ONe		
ACC Decision No.	59703	61714		
Reason for Loan	New Well & Tank	Officer Transportation		
Dollar Amount Issued	$ 85,000.00	$32,390.19	$	$
Amount Outstanding	$ 16,708.70	$ 7,753.57	$	$
Date of Maturity	6/13/06	11/14/05		
Interest Rate	10 %	8.74 %	%	%
Current Year Interest	$ 2,331.75	$ 934.54	$	$
Current Year Principle	$ 11,232.33	$ 5,928.35	$	$

Meter Deposit Balance at Test Year End $ 102,535.31

Meter Deposits Refunded During the Test Year $ 0

COMPANY NAME CHINO MEADOWS II WATER COMPANY

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
552320	15	200+	335	8	3	1995
613720	20	250	450	12	3	1979

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	4(1 standby)	7	3
25	1		
5	2		
10 7.5	1 2 (standby)		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
67,000	1	5,000	2
20,000	1	1,000	1
10,000	2		

COMPANY NAME CHINO MEADOWS II WATER COMPANY

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Sch 40	1,587
3	Sch 40	951
4	Sch 160	5,823
5		
6	Sch 160	67,763
8	SDR26	3,763
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	878
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

Chlorination Equipment- 2Systems

STRUCTURES:

1-Quansit Bldg-shop 26X38
2-Block Bldgs-Pressure and Pump House (20X21 & 16X20)
1-Frame Bldg Pressure Pump House 75X18

OTHER:

COMPANY NAME: CHINO MEADOWS II WATER COMPANY

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	786	3,901,468	
FEBRUARY	788	2,905,139	
MARCH	816	3,133,598	
APRIL	808	4,304,053	
MAY	825	5,358,696	
JUNE	832	7,888,699	
JULY	827	5,225,821	
AUGUST	827	5,686,830	
SEPTEMBER	840	6,392,180	
OCTOBER	823	4,144,202	
NOVEMBER	831	4,563,841	
DECEMBER	832	3,852,747	
	TOTAL	NA	66,635,900

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(x) Yes ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (x) No

If yes, provide the GPCPD amount:_____

What is the level of arsenic for each well on your system. .05 **mg/l** Tri-Tanks
(If more than one well, please list each separately.) .05 mg/l 1800 Donna

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME CHINO MEADOWS II WATER COMPANY YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: $ 14,073.70

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

COMPANY NAME CHINO MEADOWS II WATER COMPANY **YEAR ENDING 12/31/2004**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	To be Determined
Estimated or Actual Federal Tax Liability	
State Taxable Income Reported	To be Determined
Estimated or Actual State Tax Liability	

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	
Amount of Gross-Up Tax Collected	
Total Grossed-Up Contributions/Advances	

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Paul Levie 4-19-5

SIGNATURE **DATE**

PAUL D. LEVIE PRESIDENT

PRINTED NAME **TITLE**

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 22 2005

AZ Corporation Commission
Director of Utilities

VERIFICATION

STATE OF AZ

COUNTY OF (COUNTY NAME): Yavapai

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL) TITLE: Paul D. Levie President

OF THE

COMPANY NAME: Chino Meadows II Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only ($)
$ 323,410.79

(THE AMOUNT IN BOX ABOVE INCLUDES $ 25,846.38 IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

(928) 717-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF Yavapai

THIS 20th **DAY OF** April, 2005

(SEAL)

OFFICIAL SEAL
JEANETTE MYRICK
Notary Public - State of Arizona
YAVAPAI COUNTY
My Comm. Expires Oct. 20, 2008

MY COMMISSION EXPIRES

SIGNATURE OF NOTARY PUBLIC

RECEIVED

APR 2 2 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION AND SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Paul D. Levie	TITLE President
COMPANY NAME Chino Meadows II Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
$ 323,410.79

(THE AMOUNT IN BOX AT LEFT INCLUDES $ 25,846.38 IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

(928) 717-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 20th **DAY OF**

NOTARY PUBLIC NAME Jeanette Myrick	
COUNTY NAME Yavapai	
MONTH April	20 05

(SEAL)

MY COMMISSION EXPIRES

OFFICIAL SEAL
JEANETTE MYRICK
Notary Public - State of Arizona
YAVAPAI COUNTY
My Comm. Expires Oct. 20, 2008

X Jeanette Myrick
SIGNATURE OF NOTARY PUBLIC

10:42 AM
04/19/05
Accrual Basis

CHINO MEADOWS II WATER CO., INC.
Profit & Loss
January through December 2004

		Jan - Dec 04
Ordinary Income/Expense		
Income		
4461.00 · Metered Sales Revenue		317,940.14
4474.00 · Other Water Revenue		
4474.08 - Collections Paid	195.03	
4474.01 · Establishment Fee	2,701.00	
4474.02 · Late Charges	707.57	
4474.03 · Reconnect Fee	536.21	
4474.04 · Returned Check Charge	697.82	
4474.07 · Miscelaneous Income	157.02	
4474.00 · Other Water Revenue - Other	476.00	
Total 4474.00 · Other Water Revenue		5,470.65
Total Income		323,410.79
Cost of Goods Sold		
5000 · Cost of Goods Sold		649.30
5100 · Direct Labor		-32.00
Total COGS		617.30
Gross Profit		322,793.49
Expense		
Employee Schooling		23.75
Repairs of Pumps		4,244.36
Student Schooling		235.20
void		0.00
6101 · Meals		481.84
6102 · Travel & Entertainment		
6102.01 · Overnight Travel	550.41	
6102.03 · Entertainment	328.55	
Total 6102 · Travel & Entertainment		878.96
6110 · Automobile Expense		168.94
6120 · Bank Service Charges		42.98
6130 · Cash Discounts		-93.72
6403 · Depreciation		33,360.18
6610.00 · Purchased Water		296.08
6615.00 · Purchased Power		
6615.01 · APS/Lot 1035	5,857.65	
6615.03 · APS/Lot 638 Donna	8,005.28	
6615.04 · 24 Cactus Wren	3,122.31	
6615.05 · 2465 Shane Dr	896.16	
Total 6615.00 · Purchased Power		17,881.40
6616.00 · Fuel for Power Production		2,380.43
6620.00 · Materials & Supplies		
6620.18 - Shop Supplies (Misc)	510.01	
6620.01 · Az Comm/Hunts	1,099.80	
6620.03 · Pagers	319.95	
6620.05 · Miscel Part & Materials	1,931.78	
6620.06 · Pumps Phone	1,624.08	
6620.07 · Lease/Generator	24.06	
6620.09 · Home Depot	0.00	
6620.10 · Cell-DanL	1,677.24	
6620.11 · Water Co. Cell Phones	3,711.62	
6620.13 · Shop Tools	1,727.39	
6620.14 · Shop/Phone	251.37	
6620.15 · Alarm Monitoring/Shop	415.49	
6620.16 · AZ GEN/ACE HARDWARE	9,013.26	
6620.17 · Equipment Rental	382.73	
6620.00 · Materials & Supplies - Other	843.26	
Total 6620.00 · Materials & Supplies		23,532.04

CHINO MEADOWS II WATER CO., INC.
Profit & Loss
January through December 2004

		Jan - Dec 04
6621.00 · Office Supplies & Expense		
6621.01 · Office Phone	2,129.66	
6621.02 · Misc Office Supply	2,892.18	
6621.03 · Postage	5,382.63	
6621.04 · Long Distance	475.02	
6621.05 · Office Equip Use	318.42	
6621.06 · Trash Pick Up	906.05	
6621.07 · Electric-Office	138.58	
6621.08 · INTERNET SERV	491.02	
6621.09 · Misc Office Expense	3,571.22	
6621.10 · Software Support	660.00	
6621.00 · Office Supplies & Expense - Other	869.03	
Total 6621.00 · Office Supplies & Expense		17,833.81
6630.00 · Contractual Services		
6630.01 · Contract Labor	1,568.00	
6630.02 · Miscel Contract Services	8,067.13	
6630.05 · Contractual	3,196.00	
6630.00 · Contractual Services - Other	-106.00	
Total 6630.00 · Contractual Services		12,725.13
6630.04 · Legal Fees		13,001.18
6631.00 · Rate Case Expense		431.72
6635 · Contractual Services-Testing		
6635.01 · Water tests	355.00	
6635.02 · Water Test/Periodic	3,610.43	
6635 · Contractual Services-Testing - Other	67.00	
Total 6635 · Contractual Services-Testing		4,032.43
6640 · Bonuses		1,350.00
6640.00 · Rents		9,000.00
6650.00 · Transportation		
650.02 · Flatbed-2000	51.37	
650.03 · Backhoe	856.11	
650.04 · Grader/Scraper	13.11	
650.07 · Water Truck	189.23	
650.08 · 98 Ford Ranger	1,314.33	
6650.01 · Gas -		
650.011 · 98 Ranger	1,420.72	
650.012 · 2000 Ranger	760.82	
650.013 · DPL Diesel	928.86	
650.015 · Fuel - Offroad	2,860.41	
650.016 · Fuel - Red Dump	2,190.43	
6650.01 · Gas - - Other	3,357.38	
Total 6650.01 · Gas -		11,518.62
6650.09 · Miscel Transportation	896.25	
6650.10 · Service Truck 2000	63.39	
6650.12 · Officer Transportation	219.22	
6650.17 · Red Dump Truck	483.58	
6650.00 · Transportation - Other	6,553.93	
Total 6650.00 · Transportation		22,159.14
6655.00 · Insurance Expense		
6655.02 · State Fund	1,320.00	
6655.03 · General Liability	8,974.00	
6655.00 · Insurance Expense - Other	5,530.00	
Total 6655.00 · Insurance Expense		15,824.00
6656 · Payroll Expenses		96,682.12
6665.00 · Regulatory Commission		723.62
6670.00 · Bad Debt Expense		309.50

CHINO MEADOWS II WATER CO., INC.
Profit & Loss
January through December 2004

		Jan - Dec 04
6675.00 · Miscellaneous Expense		
6675.06 · Permits etc.	600.00	
6675.00 · Miscellaneous Expense - Other	623.36	
Total 6675.00 · Miscellaneous Expense		1,223.36
6676 · Licenses & Permits		108.37
6680.00 · Tax - Other		
6680.02 · Town of Chino Valley	5,689.53	
6680.05 · Miscel Tax	298.54	
6680.00 · Tax - Other - Other	4.91	
Total 6680.00 · Tax - Other		5,992.98
6681.00 · Property Tax		14,073.70
Total Expense		298,903.50
Net Ordinary Income		23,889.99
Other Income/Expense		
Other Expense		
7427.00 · Interest Expense		
7427.09 LFF Loan Interest	548.79	
7427.05 · Wells Fargo Interest	2,331.75	
7427.08 · 2000 Lincoln Int	934.54	
7427.00 · Interest Expense - Other	1,223.98	
Total 7427.00 · Interest Expense		5,039.06
78010 · Other Expenses		59.48
78015 · Penalties		1,990.23
Total Other Expense		7,088.77
Net Other Income		-7,088.77
Net Income		**16,801.22**

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Accrual Basis

CHINO MEADOWS II WATER CO., INC.
Balance Sheet
As of December 31, 2004

		Dec 31, 04
ASSETS		
Current Assets		
Checking/Savings		
131.01 · The Stockman's Bank		34,112.06
Total Checking/Savings		34,112.06
Other Current Assets		
142.00 · Prepaid State Income Taxes		1,932.00
142.01 · Prepaid Federal Income Tax		928.00
151.00 · Plant Materials & Supplies		
151.01 · Hughes	2,023.82	
151.03 · Miscelaneous Inventory	1,112.58	
Total 151.00 · Plant Materials & Supplies		3,136.40
Total Other Current Assets		5,996.40
Total Current Assets		40,108.46
Fixed Assets		
1103.00 · Property Held for Future Use		298.47
1108.00 · Acum. Deprec & Amort of Util Pl		-382,521.45
1301.00 · Organization		6,843.02
1303.00 · Land & Land Rights		15,204.06
1304.00 · Structures & Improvements		44,339.01
1305.00 · Collecting & Impounding Reservo		4,349.74
1307.00 · Wells & Springs		27,448.37
1309.00 · Supply Mains		1,009.20
1311.00 · Pumping Equipment		43,340.98
1320.00 · Water Treatment Equipment		2,804.75
1330.00 · Distribution Reservoirs & Stand		51,683.88
1331.00 · Transmission & Distribution Mai		266,539.46
1333.00 · Services		30,067.16
1334.00 · Meters & Meter Installation		74,838.74
1335.00 · Hydrants		12,041.55
1339.00 · Other Plant & Misc Equipment		16,479.61
1340.00 · Office Furniture & Equipment		8,621.15
1341.00 · Transportation Equipment		
1341.01 · Service Truck-98 FORD	11,286.96	
1341.00 · Transportation Equipment - Other	27,611.95	
Total 1341.00 · Transportation Equipment		38,898.91
1343.00 · Tools, Shop & Garage Equipment		949.18
1345.00 · Power Operated Equipment		24,704.47
1349.00 · Computers & Software		22,083.50
1350.00 · Officer Transportation 2000 Lin		32,390.19
Total Fixed Assets		342,413.95
Other Assets		
1141.00 · Customer Accounts Receivable		26,021.86
1141.03 · Loan-BSB		103.56
Total Other Assets		26,125.42
TOTAL ASSETS		**408,647.83**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable		3,216.40
Total Accounts Payable		3,216.40

CHINO MEADOWS II WATER CO., INC.
Balance Sheet
As of December 31, 2004

		Dec 31, 04
Other Current Liabilities		
2100 · Payroll Liabilities		23,864.53
2231.00 · Note Payable to DPL		927.22
2232.04 · Loan-GMWCo		22,000.00
2232.06 · Loan fom ALWC		6,000.00
2232.07 · Loan LFLP		4,000.00
2234.04 · Paul D. Levie P.C.		28,481.27
2235.00 · Customer Deposits		32,077.88
2236.00 · Accrued Taxes		-19,100.55
2236.20 · Sales Tax Payable		-5,537.97
2237.00 · Accrued Interest		-100.92
2252.00 · Advances for Construction		102,535.31
2252.01 · Main Line Extension		440.00
2252.02 · Main Line-Barros 1755		1,143.67
2252.03 · Main Line-Hoffman 1647		2,625.79
2252.04 · Line Ext-Garote 1742		926.09
2252.05 · Line Ext-Schuerman 1694		2,452.61
2252.06 · Line Ext-Garrison 1633		4,026.48
2252.07 · Line Ext-Cross		2,137.58
2252.08 · Line Ext-Ouelett		1,181.55
2252.09 · Line Ext-Landmark		2,799.00
2252.10 · Line Ext-Oursland		1,271.14
2271.00 · Contribution in Aid of Construc		12,473.78
2272.00 · Accum. Amortiza. of Cont Aid Co		-2,630.87
Total Other Current Liabilities		223,993.59
Total Current Liabilities		227,209.99
Long Term Liabilities		
2224.00 · Long-Term Debt		16,708.70
2224.02 · Bank One Loan		
224.021 · Bank One 2000 Lincoln	7,156.50	
Total 2224.02 · Bank One Loan		7,156.50
Total Long Term Liabilities		23,865.20
Total Liabilities		251,075.19
Equity		
31110 · Retained Earnings		-47,166.98
3201.00 · Common Stock Issued		8,597.00
3211.00 · Other Paid-In Capital		80,266.00
3215.01 · Opening Bal Equity		142,177.67
3220.00 · Treasury Stock		-43,102.27
Net Income		16,801.22
Total Equity		157,572.64
TOTAL LIABILITIES & EQUITY		**408,647.83**

CHINO MEADOWS II WATER CO., INC.
Statement of Cash Flows
January through December 2004

	Jan - Dec 04
OPERATING ACTIVITIES	
Net Income	16,801.22
Adjustments to reconcile Net Income to net cash provided by operations:	
151.00 · Plant Materials & Supplies:151.01 · Hughes	13,699.58
151.00 · Plant Materials & Supplies:151.03 · Miscelaneous I...	-1,112.58
2000 · Accounts Payable	1,886.38
2100 · Payroll Liabilities	-2,067.07
2231.00 · Note Payable to DPL	527.22
2234.04 · Paul D. Levie P.C.	18,281.27
2235.00 · Customer Deposits	4,420.06
2236.00 · Accrued Taxes	4,124.54
2236.20 · Sales Tax Payable	-10,939.10
2237.00 · Accrued Interest	-100.92
2252.00 · Advances for Construction	8,227.10
2252.02 · Main Line-Barros 1755	-136.88
2252.03 · Main Line-Hoffman 1647	-130.08
2252.04 · Line Ext-Garote 1742	-246.31
2252.05 · Line Ext-Schuerman 1694	-146.69
2252.06 · Line Ext-Garrison 1633	-138.23
2252.07 · Line Ext-Cross	-142.42
2252.08 · Line Ext-Ouelett	-74.45
2252.09 · Line Ext-Landmark	-369.00
2252.10 · Line Ext-Oursland	-96.86
Net cash provided by Operating Activities	52,266.78
INVESTING ACTIVITIES	
1103.00 · Property Held for Future Use	2,513.34
1108.00 · Acum. Deprec & Amort of Util Pl	30,881.90
1311.00 · Pumping Equipment	-5,227.58
1339.00 · Other Plant & Misc Equipment	-15,174.88
1349.00 · Computers & Software	-22,083.50
1350.00 · Officer Transportation 2000 Lin	-32,390.19
1141.00 · Customer Accounts Receivable	31,467.31
Net cash provided by Investing Activities	-10,013.60
FINANCING ACTIVITIES	
2224.00 · Long-Term Debt	-11,232.33
2224.02 · Bank One Loan	43.06
2224.02 · Bank One Loan:224.021 · Bank One 2000 Lincoln	7,156.50
2224.03 · Paul D. Levie Trust 4253	478.62
3215.01 · Opening Bal Equity	0.02
Net cash provided by Financing Activities	-3,554.13
Net cash increase for period	38,699.05
Cash at beginning of period	-4,586.99
Cash at end of period	34,112.06

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Accrual Basis

CHINO MEADOWS II WATER CO., INC.
Account QuickReport
As of December 31, 2004

Type	Date	Num	Name	Memo	Split	Amount	Balance
2236.20 · Sales Tax Payable							5,401.13
Invoice	1/3/2004	5	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	5,401.13
Deposit	1/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,402.68
Invoice	1/10/2004	6	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	5,402.68
Invoice	1/17/2004	7	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	5,402.68
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,404.23
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,405.78
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,407.33
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,408.88
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,410.43
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,411.98
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,413.53
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,415.08
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,416.63
Deposit	1/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	5,418.18
Sales Tax Payment	1/23/2004	11709	Arizona Department ...		131.01 · The S...	-2,133.01	3,285.17
Invoice	1/24/2004	8	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	3,285.17
Deposit	1/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,286.72
General Journal	1/31/2004	adj1/3...	Arizona Department ...	sales tax	4461.00 · Mete...	1,601.55	4,888.27
Invoice	1/31/2004	9	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	4,888.27
Deposit	2/4/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	4,889.82
Invoice	2/7/2004	10	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	4,889.82
Deposit	2/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	4,891.37
Deposit	2/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	4,892.92
Deposit	2/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	4,894.47
Deposit	2/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	4,896.02
Deposit	2/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	4,897.57
Invoice	2/14/2004	11	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	4,897.57
Sales Tax Payment	2/17/2004	11754	Arizona Department ...		131.01 · The S...	-1,649.95	3,247.62
Deposit	2/19/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,249.17
Invoice	2/21/2004	12	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	3,249.17
Deposit	2/23/2004		Arizona Department ...	tax	131.01 · The S...	1.50	3,250.67
Deposit	2/23/2004		Arizona Department ...	tax	131.01 · The S...	1.50	3,252.17
Deposit	2/23/2004		Arizona Department ...	tax	131.01 · The S...	1.50	3,253.67
Deposit	2/25/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,255.22
Deposit	2/26/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,256.77
Deposit	2/26/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,258.32
Deposit	2/27/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,259.87
Invoice	2/28/2004	13	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	3,259.87
Deposit	3/1/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,261.42
Deposit	3/1/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,262.97
Deposit	3/1/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,264.52
Deposit	3/4/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,266.07
Deposit	3/4/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,267.62
Invoice	3/13/2004	14	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	3,267.62
Deposit	3/15/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	3,269.17
Sales Tax Payment	3/15/2004	11814	Arizona Department ...	13 016257-F ...	131.01 · The S...	-2,050.50	1,218.67
Deposit	3/17/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,220.22

CHINO MEADOWS II WATER CO., INC.
Account QuickReport
As of December 31, 2004

Type	Date	Num	Name	Memo	Split	Amount	Balance
Deposit	3/17/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,221.77
Deposit	3/17/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,223.32
Deposit	3/24/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,224.87
Deposit	3/24/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,226.42
Deposit	3/25/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,227.97
Deposit	3/25/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,229.52
Invoice	3/27/2004	15	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	1,229.52
Deposit	3/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,231.07
Deposit	3/31/2004	288	Arizona Department ...	Deposit	131.01 · The S...	1.55	1,232.62
Deposit	4/5/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,234.17
Deposit	4/6/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,235.72
Deposit	4/6/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,237.27
Deposit	4/6/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,238.82
Deposit	4/7/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,240.37
Invoice	4/10/2004	16	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	1,240.37
Sales Tax Payment	4/12/2004	11886	Arizona Department ...	13016257-F ...	131.01 · The S...	-3,132.56	-1,892.19
Deposit	4/12/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,890.64
Deposit	4/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,889.09
Deposit	4/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,887.54
Deposit	4/15/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,885.99
Invoice	4/17/2004	17	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,885.99
Invoice	4/24/2004	18	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,885.99
Deposit	4/26/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,884.44
Deposit	4/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,882.89
Deposit	4/30/2004		Arizona Department ...	Deposit	131.01 · The S...	0.81	-1,882.08
Deposit	4/30/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,880.53
Deposit	4/30/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,878.98
General Journal	4/30/2004	April adj	Arizona Department ...	sales tax	4461.00 · Mete...	3,642.49 ✓	1,763.51
Invoice	5/1/2004	19	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	1,763.51
Deposit	5/5/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,765.06
Deposit	5/6/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,766.61
Invoice	5/8/2004	20	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	1,766.61
Deposit	5/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,768.16
Deposit	5/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,769.71
Deposit	5/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,771.26
Deposit	5/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,772.81
Deposit	5/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,774.36
Deposit	5/11/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	1,775.91
Sales Tax Payment	5/12/2004	11939	Arizona Department ...	13016257-F ...	131.01 · The S...	-3,613.99	-1,838.08
Deposit	5/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,836.53
Invoice	5/15/2004	21	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,836.53
Deposit	5/17/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,834.98
Deposit	5/18/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,833.43
Deposit	5/18/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,831.88
Deposit	5/24/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,830.33
Deposit	5/27/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,828.78
Invoice	5/27/2004	22	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	23	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78

CHINO MEADOWS II WATER CO., INC.
Account QuickReport
As of December 31, 2004

Type	Date	Num	Name	Memo	Split	Amount	Balance
Invoice	5/27/2004	24	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	25	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	26	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	27	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	28	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	29	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	30	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
Invoice	5/27/2004	31	Equestrian Construc...	Out-of-state s...	1210 · Account...	0.00	-1,828.78
General Journal	5/31/2004	May adj	Arizona Department ...	Sales Tax	4461.00 · Mete...	2,435.47	606.69
Deposit	6/2/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	608.24
Deposit	6/2/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	609.79
Deposit	6/2/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	611.34
Deposit	6/4/2004	5011	Arizona Department ...	981 Dana Sco...	131.01 · The S...	1.55	612.89
Deposit	6/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	614.44
Sales Tax Payment	6/15/2004	12059	Arizona Department ...	Mays Sales T...	131.01 · The S...	-2,435.44	-1,821.00
Deposit	6/16/2004	2106	Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,819.45
Deposit	6/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,817.90
Deposit	6/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,816.35
Deposit	6/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,814.80
Deposit	6/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,813.25
Deposit	6/18/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,811.70
Deposit	6/18/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,810.15
Deposit	6/18/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,808.60
Deposit	6/21/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,807.05
Deposit	6/21/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,805.50
Deposit	6/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,803.95
Deposit	6/25/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,802.40
Deposit	6/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,800.85
General Journal	6/30/2004	6-24-5	Arizona Department ...		4461.00 · Mete...	2,471.93	671.08
Deposit	6/30/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	672.63
Deposit	6/30/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	674.18
Deposit	7/2/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	675.73
Deposit	7/2/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	677.28
Deposit	7/6/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	678.83
Deposit	7/6/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	680.38
Deposit	7/7/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	681.93
Deposit	7/7/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	683.48
Deposit	7/9/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	685.03
Deposit	7/12/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	686.58
Deposit	7/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	688.13
Deposit	7/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	689.68
Deposit	7/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	691.23
Deposit	7/19/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	692.78
Deposit	7/19/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	694.33
Sales Tax Payment	7/20/2004	12113	Arizona Department ...	13016257-F J...	131.01 · The S...	-2,521.66	-1,827.33
Deposit	7/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,825.78
Deposit	7/26/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,824.23
Deposit	7/27/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,822.68

CHINO MEADOWS II WATER CO., INC.
Account QuickReport
As of December 31, 2004

Type	Date	Num	Name	Memo	Split	Amount	Balance
Deposit	7/27/2004		Az Department of Re...	Deposit	131.01 · The S...	1.55	-1,821.13
Deposit	7/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,819.58
Deposit	7/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-1,818.03
General Journal	7/30/2004	7-30-...	Az Department of Re...		4461.00 · Mete...	-2,645.79	-4,463.82
General Journal	7/30/2004	7-30-...	Arizona Department ...	Sales Tax Adj...	2236.00 · Accr...	-1,357.43	-5,821.25
Deposit	7/30/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,819.70
Deposit	8/4/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,818.15
Deposit	8/5/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,816.60
Deposit	8/9/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,815.05
Deposit	8/9/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,813.50
Deposit	8/9/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,811.95
Deposit	8/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,810.40
Deposit	8/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,808.85
Sales Tax Payment	8/18/2004	12174	Arizona Department ...	July Sales Ta...	131.01 · The S...	-2,629.53	-8,438.38
Deposit	8/19/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,436.83
Deposit	8/23/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,435.28
Deposit	8/23/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,433.73
Deposit	8/25/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,432.18
Deposit	8/30/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,430.63
General Journal	8/31/2004	8/31 adj	Arizona Department ...	Sales Tax	4461.00 · Mete...	2,527.97	-5,902.66
Deposit	9/1/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,901.11
Deposit	9/3/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,899.56
Deposit	9/7/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,898.01
Deposit	9/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,896.46
Deposit	9/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,894.91
Deposit	9/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,893.36
Deposit	9/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,891.81
Deposit	9/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,890.26
Deposit	9/9/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,888.71
Deposit	9/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,887.16
Deposit	9/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,885.61
Deposit	9/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,884.06
Deposit	9/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,882.51
Sales Tax Payment	9/15/2004	12249	Arizona Department ...		131.01 · The S...	-2,668.97	-8,551.48
Deposit	9/15/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,549.93
Deposit	9/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,548.38
Deposit	9/20/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,546.83
Deposit	9/21/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,545.28
Deposit	9/27/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,543.73
Deposit	9/27/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,542.18
Deposit	9/27/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,540.63
Deposit	9/28/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,539.08
Deposit	9/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,537.53
Deposit	9/29/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,535.98
Deposit	9/30/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,534.43
General Journal	9/30/2004	9/30dj	Arizona Department ...	Sales tax	4461.00 · Mete...	3,457.83	-5,076.60
Deposit	10/1/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,075.05
Deposit	10/1/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,073.50

CHINO MEADOWS II WATER CO., INC.
Account QuickReport
As of December 31, 2004

Type	Date	Num	Name	Memo	Split	Amount	Balance
Deposit	10/4/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,071.95
Deposit	10/5/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,070.40
Deposit	10/11/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,068.85
Deposit	10/12/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,067.30
Deposit	10/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,065.75
Deposit	10/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,064.20
Deposit	10/15/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,062.65
General Journal	10/15/2004	9/31dj	Arizona Department ...	Sales Tax Adj...	1141.00 · Cust...	445.88	-4,616.77
Sales Tax Payment	10/19/2004	12320	Arizona Department ...	13016257-F ...	131.01 · The S...	-3,812.31	-8,429.08
Deposit	10/20/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,427.53
Deposit	10/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,425.98
Deposit	10/25/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,424.43
Deposit	10/26/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,422.88
Deposit	10/26/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,421.33
General Journal	10/29/2004	10/29/...	Arizona Department ...	sales tax	4461.00 · Mete...	2,231.14	-6,190.19
Deposit	11/1/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,188.64
Deposit	11/2/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,187.09
Deposit	11/4/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,185.54
Deposit	11/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,183.99
Deposit	11/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,182.44
Deposit	11/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,180.89
Deposit	11/8/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,179.34
Deposit	11/9/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,177.79
Deposit	11/15/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,176.24
Deposit	11/16/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-6,174.69
General Journal	11/17/2004	10/29/5	Arizona Department ...	Sales Tax Adj...	2236.00 · Accr...	734.52	-5,440.17
Sales Tax Payment	11/17/2004	12403	Arizona Department ...		131.01 · The S...	-3,012.16	-8,452.33
Deposit	11/17/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,450.78
Deposit	11/17/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,449.23
Deposit	11/18/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,447.68
Deposit	11/19/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,446.13
Deposit	11/22/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,444.58
Deposit	11/23/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,443.03
Deposit	11/24/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,441.48
General Journal	11/30/2004	nov adj	Arizona Department ...		4461.00 · Mete...	3,134.18	-5,307.30
Deposit	12/6/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,305.75
Deposit	12/7/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,304.20
Deposit	12/10/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,302.65
Deposit	12/13/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,301.10
Deposit	12/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,299.55
Deposit	12/14/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,298.00
Deposit	12/15/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,296.45
General Journal	12/16/2004	nov adj	Arizona Department ...	Sales Tax Adj...	2236.00 · Accr...	254.58	-5,041.87
Sales Tax Payment	12/16/2004	12469	Arizona Department ...	13016257-F ...	131.01 · The S...	-3,417.34	-8,459.21
Deposit	12/17/2004	05333...	Az Department of Re...	661.02-Sales ...	131.01 · The S...	1.55	-8,457.66
Deposit	12/21/2004	1519	Az Department of Re...	439.03-Sales ...	131.01 · The S...	1.55	-8,456.11
Deposit	12/23/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-8,454.56
Deposit	12/28/2004	417	Az Department of Re...	389.03-Sales ...	131.01 · The S...	1.55	-8,453.01

CHINO MEADOWS II WATER CO., INC.
Account QuickReport
As of December 31, 2004

Type	Date	Num	Name	Memo	Split	Amount	Balance
Deposit	12/28/2004	755	Az Department of Re...	1398.03-Sale...	131.01 · The S...	1.55	-8,451.46
Deposit	12/28/2004	262	Az Department of Re...	300.02-Sales ...	131.01 · The S...	1.55	-8,449.91
Deposit	12/28/2004	53452...	Az Department of Re...	1371.01-Wrig...	131.01 · The S...	1.55	-8,448.36
General Journal	12/31/2004	Dec adj	Arizona Department ...		4461.00 · Mete...	2,908.84 ✓	-5,539.52
Deposit	12/31/2004		Arizona Department ...	Deposit	131.01 · The S...	1.55	-5,537.97
Total 2236.20 · Sales Tax Payable						-10,939.10	-5,537.97
TOTAL						**-10,939.10**	**-5,537.97**

1,601•55+
3,642•49+
2,435•47+
2,471•93+
[illegible],527•97+
3,457•83+
[illegible]45•[illegible]+
[illegible],23[illegible]•14+
734•52+
3,134•18+
2[illegible]4•5[illegible]+
2,90[illegible]•64+
25,[illegible]46•3[illegible] *

CHINO MEADOWS II WATER COMPANY

Federal ID #:

Asset Summary - Federal Tax Basis

Period Ended 12/31/04

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 1 ORGANIZATION												
1	1	ORGANIZATION COST	12/31/94	N	SL	20	6,843.02	0.00	0.00	4,454.35	342.15	4,796.50
				Group # 1 Total			6,843.02	0.00	0.00	4,454.35	342.15	4,796.50
Group # 2 LAND & LAND RIGHTS												
2	1	Land - Lot 639	12/15/98	R			9,000.00	0.00	0.00	0.00	0.00	0.00
3	1	Remaining Basis of Land	05/06/99	R			6,204.06	0.00	0.00	0.00	0.00	0.00
				Group # 2 Total			15,204.06	0.00	0.00	0.00	0.00	0.00
Group # 3 STRUCTURES & IMPROVEMENTS												
1	1	STRUCTURES & IMPR	12/31/94	N	SL	20	6,275.81	0.00	0.00	3,333.11	313.79	3,646.90
2	1	STTELMASTER BLDG	12/27/95	N	SL	20	500.00	0.00	0.00	200.00	25.00	225.00
3	1	STEELMASTER BLDGS	12/29/95	N	SL	20	4,075.00	0.00	0.00	1,630.00	203.75	1,833.75
4	1	Unit Installation	09/18/95	N	SL	20	464.31	0.00	0.00	191.56	23.22	214.78
5	1	New Building	05/15/96	N	SL	20	4,674.00	0.00	0.00	1,791.70	233.70	2,025.40
6	1	Pumphouse & Shed	05/15/96	N	SL	20	2,509.24	0.00	0.00	961.86	125.46	1,087.32
7	1	Pumphouse	07/09/97	N	SL	20	5,157.35	0.00	0.00	1,676.15	257.87	1,934.02
8	1	Pumphouse	08/14/97	N	SL	20	445.29	0.00	0.00	142.84	22.26	165.10
9	1	Pumphouse	09/12/97	N	SL	20	1,025.00	0.00	0.00	324.58	51.25	375.83
10	1	Pumphouse	10/27/97	N	SL	20	603.71	0.00	0.00	186.17	30.19	216.36
11	1	Pumphouse	11/11/97	N	SL	20	3,500.00	0.00	0.00	1,079.17	175.00	1,254.17
12	1	NEW PUMPHOUSE	12/18/97	N	SL	20	569.34	0.00	0.00	170.82	28.47	199.29
13	1	NEW PUMPHOUSE	12/23/97	N	SL	20	1,944.40	0.00	0.00	583.32	97.22	680.54
14	1	Pumphouse	01/02/98	N	SL	20	6,500.00	0.00	0.00	1,950.00	325.00	2,275.00
17	1	Pumphouse	02/11/98	N	SL	20	5,623.18	0.00	0.00	1,663.53	281.16	1,944.69
18	1	Pumphouse	04/09/98	N	SL	20	472.38	0.00	0.00	135.81	23.62	159.43
				Group # 3 Total			44,339.01	0.00	0.00	16,020.62	2,216.96	18,237.58
Group # 4 WELLS AND SPRINGS												
1	1	WELLS AND SPRINGS	12/31/94	N	SL	20	9,095.99	0.00	0.00	8,856.20	239.79	9,095.99
2	1	C.E.T. WELL DRILLIN	12/14/95	N	SL	20	11,534.63	0.00	0.00	4,661.90	576.73	5,238.63
3	1	Well	05/21/96	N	SL	20	6,817.75	0.00	0.00	2,585.08	340.89	2,925.97
				Group # 4 Total			27,448.37	0.00	0.00	16,103.18	1,157.41	17,260.59
Group # 5 ELECTRIC PUMPING EQUIP.												
1	1	ELEC. PUMPING EQUI	12/31/94	N	SL	20	11,914.75	0.00	0.00	8,308.66	595.74	8,904.40
2	1	VALLEY PUMP SERVI	12/29/95	N	SL	20	7,318.45	0.00	0.00	2,927.36	365.92	3,293.28
3	1	New Booster Pump	09/05/95	N	SL	20	3,403.42	0.00	0.00	1,418.08	170.17	1,588.25
4	1	Turner/Booster Pump	09/18/95	N	SL	20	1,500.00	0.00	0.00	618.75	75.00	693.75
5	1	Turner/Booster Pump	11/06/95	N	SL	20	1,879.46	0.00	0.00	767.42	93.97	861.39
6	1	Pump	05/09/97	N	SL	20	1,251.11	0.00	0.00	417.06	62.56	479.62
7	1	Pump	06/03/97	N	SL	20	2,234.96	0.00	0.00	735.69	111.75	847.44
8	1	New Pumps	02/13/98	N	SL	20	5,302.64	0.00	0.00	1,568.69	265.13	1,833.82
9	1	3 Phase Electric	01/19/00	N	SL	20	3,308.61	0.00	0.00	647.93	165.43	813.36
10	1	New Pumps - 2	07/27/04	N	SL	20	5,227.58	0.00	0.00	0.00	108.91	108.91
				Group # 5 Total			43,340.98	0.00	0.00	17,409.64	2,014.58	19,424.22
Group # 6 WATER TREATMENT EQUIP.												
1	1	WATER TREATMENT	12/31/94	N	SL	20	1,515.48	0.00	0.00	759.93	75.77	835.70
2	1	BLAINE INGRAM INC.	12/15/95	N	SL	20	738.84	0.00	0.00	298.60	36.94	335.54
3	1	Digital Chlorinator	04/07/95	N	SL	20	258.00	0.00	0.00	112.88	12.90	125.78

CHINO MEADOWS II WATER COMPANY

Federal ID #:

Asset Summary - Federal Tax Basis

Period Ended 12/31/04

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 9 SERVICES (Continued)												
24	1	Service Install	12/25/98	N	SL	20	359.09	0.00	0.00	89.75	17.95	107.70
25	1	New Services	03/31/99	N	SL	20	194.98	0.00	0.00	46.31	9.75	56.06
26	1	New Services	06/30/99	N	SL	20	1,284.18	0.00	0.00	288.94	64.21	353.15
27	1	New Services	09/30/99	N	SL	20	557.23	0.00	0.00	118.41	27.86	146.27
28	1	New Services	12/31/99	N	SL	20	533.18	0.00	0.00	106.64	26.66	133.30
29	1	Capital Service	12/31/99	N	SL	20	1,866.05	0.00	0.00	373.20	93.30	466.50
30	1	Capital Service	12/31/00	N	SL	20	1,273.05	0.00	0.00	190.95	63.65	254.60
31	1	Capital Service	02/28/01	N	SL	20	2,674.09	0.00	0.00	378.82	133.70	512.52
32	1	Services	06/01/02	N	SL	20	1,309.53	0.00	0.00	103.67	65.48	169.15
				Group # 9 Total			30,067.16	0.00	0.00	13,635.58	1,303.48	14,939.06
Group # 10 METERS												
1	1	METERS	12/31/94	N	SL	20	36,858.30	0.00	0.00	27,864.28	1,842.92	29,707.20
2	1	CAPITALIZED METE	12/30/95	N	SL	20	752.33	0.00	0.00	300.96	37.62	338.58
3	1	Capitalize Meters	03/31/95	N	SL	20	997.50	0.00	0.00	436.45	49.88	486.33
4	1	Capitalize Meters	06/30/95	N	SL	20	575.69	0.00	0.00	244.63	28.78	273.41
5	1	Capitalize Meters	09/30/95	N	SL	20	570.09	0.00	0.00	235.13	28.50	263.63
6	1	Capital Meters	06/15/96	N	SL	20	7,329.01	0.00	0.00	2,778.91	366.45	3,145.36
7	1	Capital Meters	03/31/97	N	SL	20	679.50	0.00	0.00	229.36	33.98	263.34
8	1	Capital Meters	06/30/97	N	SL	20	950.00	0.00	0.00	308.75	47.50	356.25
9	1	Capital Meters	09/30/97	N	SL	20	370.32	0.00	0.00	115.75	18.52	134.27
10	1	CAP METERS	10/31/97	N	SL	20	246.96	0.00	0.00	76.16	12.35	88.51
11	1	CAP METERS	11/30/97	N	SL	20	187.10	0.00	0.00	56.94	9.36	66.30
12	1	CAP METERS	12/31/97	N	SL	20	123.44	0.00	0.00	37.02	6.17	43.19
13	1	Capital Meters	01/31/98	N	SL	20	127.52	0.00	0.00	37.74	6.38	44.12
14	1	Capital Meters	02/28/98	N	SL	20	401.65	0.00	0.00	117.14	20.08	137.22
15	1	Capital Meters	03/31/98	N	SL	20	176.36	0.00	0.00	50.71	8.82	59.53
16	1	Capital Meters	04/30/98	N	SL	20	318.80	0.00	0.00	90.33	15.94	106.27
17	1	Capital Meters	06/30/98	N	SL	20	454.75	0.00	0.00	125.07	22.74	147.81
18	1	Capital Meters	06/30/98	N	SL	20	255.04	0.00	0.00	70.13	12.75	82.88
19	1	Capital Meters	07/31/98	N	SL	20	224.00	0.00	0.00	60.67	11.20	71.87
20	1	Capital Meters	08/30/98	N	SL	20	292.14	0.00	0.00	77.92	14.61	92.53
21	1	Capital Meters	09/30/98	N	SL	20	235.98	0.00	0.00	61.95	11.80	73.75
22	1	Capital Meters	10/31/98	N	SL	20	259.79	0.00	0.00	67.11	12.99	80.10
23	1	Capital Meters	11/30/98	N	SL	20	1,084.44	0.00	0.00	275.62	54.22	329.84
24	1	Meter Install	12/25/98	N	SL	20	429.25	0.00	0.00	107.30	21.46	128.76
25	1	New Meters	03/31/99	N	SL	20	782.48	0.00	0.00	185.82	39.12	224.94
26	1	New Meters	06/30/99	N	SL	20	795.23	0.00	0.00	178.92	39.76	218.68
27	1	New Meters	09/30/99	N	SL	20	322.08	0.00	0.00	68.43	16.10	84.53
28	1	New Meters	12/31/99	N	SL	20	719.74	0.00	0.00	143.96	35.99	179.95
29	1	New Meter	12/31/99	N	SL	20	34.72	0.00	0.00	6.96	1.74	8.70
30	1	Capital Meters	06/30/00	N	SL	20	1,234.52	0.00	0.00	216.05	61.73	277.78
31	1	Capital Meters	12/31/00	N	SL	20	1,040.55	0.00	0.00	156.09	52.03	208.12
32	1	Capital Meters	04/20/01	N	SL	20	1,319.36	0.00	0.00	175.92	65.97	241.89
33	1	New Meters	06/01/02	N	SL	20	2,736.41	0.00	0.00	216.63	136.82	353.45
34	1	Water Meters	06/15/03	N	SL	20	11,953.69	0.00	0.00	348.65	597.68	946.33
				Group # 10 Total			74,838.74	0.00	0.00	35,523.46	3,741.96	39,265.42
Group # 11 OTHER PLANT STRUCTURES												
1	1	OTHER PLANT STRU	12/31/94	N	SL	20	1,304.73	0.00	0.00	1,162.16	65.24	1,227.40
2	1	Various Additions	07/10/04	N	SL	20	15,174.88	0.00	0.00	0.00	379.37	379.37
				Group # 11 Total			16,479.61	0.00	0.00	1,162.16	444.61	1,606.77

CHINO MEADOWS II WATER COMPANY

Federal ID #:

Asset Summary - Federal Tax Basis

Period Ended 12/31/04

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 12 OFFICE FURN. & FIXTURES												
1	1	OFFICE FURN. & FIXT	12/31/94	N	SL	20	3,513.40	0.00	0.00	2,256.03	175.67	2,431.70
2	1	Computer	07/23/96	N	SL	20	2,683.25	0.00	0.00	995.02	134.16	1,129.18
3	1	Printer	12/31/98	N	SL	20	354.85	0.00	0.00	88.70	17.74	106.44
4	1	Computer	02/10/99	N	SL	20	1,949.66	0.00	0.00	479.28	97.48	576.76
5	1	Fax Machine	10/08/99	N	SL	20	119.99	0.00	0.00	25.50	6.00	31.50
				Group # 12 Total			8,621.15	0.00	0.00	3,844.53	431.05	4,275.58
Group # 13 TRANSPORTATION EQUIPMENT												
1	1	TRANSPORTATION E	12/31/94	N	SL	20	4,103.44	0.00	0.00	2,573.03	205.17	2,778.20
3	1	1975 Ford Water Truck	02/22/96	N	SL	20	7,500.00	0.00	0.00	2,937.50	375.00	3,312.50
8	1	1977 Ford Dump	03/21/97	A	SL	20	500.00	0.00	0.00	168.75	25.00	193.75
9	1	1977 Ford Dump	03/26/97	A	SL	20	3,000.00	0.00	0.00	1,012.50	150.00	1,162.50
10	1	1998 Ford	07/03/98	N	SL	20	11,286.96	0.00	0.00	3,103.92	564.35	3,668.27
11	1	New Truck	10/29/99	N	SL	20	12,508.51	0.00	0.00	2,605.96	625.43	3,231.39
12	1	2000 Automobile	01/02/04	N	SL	20	32,989.26	0.00	0.00	0.00	1,649.46	1,649.46
				Group # 13 Total			71,888.17	0.00	0.00	12,401.66	3,594.41	15,996.07
Group # 14 POWER OPERATED EQUIPMENT												
2	1	NEW BACKHOE	12/27/95	N	SL	20	23,500.00	0.00	0.00	9,400.00	1,175.00	10,575.00
5	1	Power Compactor	02/22/96	U	SL	20	1,000.00	0.00	0.00	391.67	50.00	441.67
7	1	Grader	06/11/97	N	SL	20	204.47	0.00	0.00	67.28	10.22	77.50
				Group # 14 Total			24,704.47	0.00	0.00	9,858.95	1,235.22	11,094.17
Group # 15 COLLECTING & IMPOUND.												
2	1	Fence Small Tanks	01/20/95	N	SL	20	670.16	0.00	0.00	298.80	33.51	332.31
3	1	Fence Lot 637	02/17/95	N	SL	20	92.02	0.00	0.00	40.63	4.60	45.23
4	1	Fence Lot 637	02/17/95	N	SL	20	64.56	0.00	0.00	28.53	3.23	31.76
5	1	Fence	05/13/98	N	SL	20	3,523.00	0.00	0.00	998.18	176.15	1,174.33
				Group # 15 Total			4,349.74	0.00	0.00	1,366.14	217.49	1,583.63
Group # 16 SUPPLY MAINS												
2	1	MT Cntry/New Meter	06/09/95	N	SL	20	647.01	0.00	0.00	277.67	32.35	310.02
3	1	ROAD CUT	01/23/97	N	SL	20	80.00	0.00	0.00	27.67	4.00	31.67
4	1	PUMPHOUSE	11/30/97	N	SL	20	282.20	0.00	0.00	85.84	14.11	99.95
				Group # 16 Total			1,009.21	0.00	0.00	391.18	50.46	441.64
Group # 17 TOOLS, SHOP & GARAGE EQUP												
2	1	Lawn Mower	04/07/95	N	SL	20	269.95	0.00	0.00	118.12	13.50	131.62
3	1	Weed Burner	02/08/99	N	SL	20	157.22	0.00	0.00	38.65	7.86	46.51
4	1	New Tools	06/10/99	N	SL	20	522.01	0.00	0.00	119.63	26.10	145.73
				Group # 17 Total			949.18	0.00	0.00	276.40	47.46	323.86
Group # 18 HYDRANTS												
1	1	Fire Hydrants	06/15/96	M	SL	20	6,946.43	0.00	0.00	2,633.84	347.32	2,981.16
2	1	CMIV	03/31/97	N	SL	20	5,095.12	0.00	0.00	1,719.63	254.76	1,974.39
				Group # 18 Total			12,041.55	0.00	0.00	4,353.47	602.08	4,955.55