

Rancho Pauma Mutual Water Co.

Balance Sheet

As of January 31, 2023

Accrual Basis

| | Jan 31, 23 |
|---------------------------------------|---------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 100 · Cash | |
| 102.5 · CB&T Checking | 709,085.53 |
| 102.52 · U.S. Bank Money Market | 250,157.92 |
| 102.54 · Pacific Western Bank MM | 250,476.39 |
| 102.56 · Comerica Bank | 250,934.08 |
| 102.57 · First Citizens Bank Checking | 220,765.72 |
| 104 · Petty Cash | 132.96 |
| Total 100 · Cash | 1,681,552.60 |
| Total Checking/Savings | 1,681,552.60 |
| Accounts Receivable | |
| 103 · Accounts Receivable | 72,741.76 |
| Total Accounts Receivable | 72,741.76 |
| Other Current Assets | |
| 103.6 · Allowance Acct | -4,000.00 |
| 117 · Prepaid Insurance | 2,816.02 |
| 117.7 · Construction in Process | 48,988.09 |
| 150 · Due From PVCSD | 1,327.77 |
| Total Other Current Assets | 49,131.88 |
| Total Current Assets | 1,803,426.24 |
| Fixed Assets | |
| 106 · Land | 5,174.66 |
| 107 · Easement & Water Rights | 25,217.13 |
| 108 · Miscellaneous Small Equipment | 56,235.47 |
| 110 · Reservoirs | 619,242.57 |
| 112 · Pipelines | 898,933.86 |
| 118 · Vehicles | 196,249.72 |
| 119 · Wells & Related Equipment | 3,256,783.82 |
| 120 · Office Building | 134,318.94 |
| 124 · Information Systems | 208,791.96 |
| 125 · Accumulated Depreciation | -2,609,620.35 |
| Total Fixed Assets | 2,791,327.78 |
| TOTAL ASSETS | 4,594,754.02 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 330 · Accounts Payable | 55,783.93 |
| Total Accounts Payable | 55,783.93 |
| Other Current Liabilities | |
| 337 · Prepaid Customer Fees | 400,834.69 |
| Total Other Current Liabilities | 400,834.69 |
| Total Current Liabilities | 456,618.62 |

Rancho Pauma Mutual Water Co.

Balance Sheet

As of January 31, 2023

Accrual Basis

| | Jan 31, 23 |
|------------------------------|--------------|
| Total Liabilities | 456,618.62 |
| Equity | |
| 440 · Capital Stock - Common | 1,103.85 |
| 442 · Paid in Surplus | 620,505.00 |
| 460 · Retained Earnings | 3,746,371.38 |
| Net Income | -229,844.83 |
| Total Equity | 4,138,135.40 |
| TOTAL LIABILITIES & EQUITY | 4,594,754.02 |

Rancho Pauma Mutual Water Co. Monthly Revenue and Expense Report

November 2022 through January 2023

| | Nov 22 | Dec 22 | Jan 23 | TOTAL |
|--|--------------------|--------------------|--------------------|---------------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| 550 · Water Sales-Local | 55,280.01 | 31,793.76 | 6,126.54 | 93,200.31 |
| 552 · Interest | 228.83 | 278.67 | 371.84 | 879.34 |
| 555 · Miscellaneous Income | 2.00 | 0.00 | 75.00 | 77.00 |
| 556 · Vacant Lot Charge | 743.19 | 743.19 | 743.19 | 2,229.57 |
| 558 · Delinquent Charges | 6,580.25 | 1,893.23 | 949.87 | 9,423.35 |
| 570 · Infrastructure Service Charge | 28,847.33 | 28,847.33 | 28,847.33 | 86,541.99 |
| 572 · Electrical Energy | 16,488.32 | 10,730.52 | 6,035.55 | 33,254.39 |
| Total Income | 108,169.93 | 74,286.70 | 43,149.32 | 225,605.95 |
| Cost of Goods Sold | | | | |
| 5001 · YMWD Import Water Purchase | 0.00 | 0.00 | 0.00 | 0.00 |
| 5001.5 · YMWD Fixed Chgs pass-through | 7,425.80 | 7,425.80 | 4,673.53 | 19,525.13 |
| 5002 · Electrical Costs pass-through | 16,676.93 | 10,777.23 | 6,038.52 | 33,492.68 |
| Total COGS | 24,102.73 | 18,203.03 | 10,712.05 | 53,017.81 |
| Gross Profit | 84,067.20 | 56,083.67 | 32,437.27 | 172,588.14 |
| Expense | | | | |
| 603 · Repair & Maintenance | | | | |
| 603.2 · Meter Repairs/Replacement | 0.00 | 0.00 | 1,617.11 | 1,617.11 |
| 603.35 · Well maintenance | 1,205.58 | 0.00 | 150.86 | 1,356.44 |
| 603.38 · SCADA Maintenance | 0.00 | 0.00 | 2,239.81 | 2,239.81 |
| 603.6 · Site maintenance | 175.00 | 175.00 | 175.00 | 525.00 |
| 603.65 · Asphalt Repairs | 5,623.50 | 0.00 | 0.00 | 5,623.50 |
| 603.7 · Reservoir Maintenance | 4,725.00 | 0.00 | 0.00 | 4,725.00 |
| 603.8 · Valve Maintenance | 6,862.94 | 36.64 | 0.00 | 6,899.58 |
| 603.9 · Chlorination/Disinfection Exp | 404.18 | 77.49 | 525.77 | 1,007.44 |
| 603 · Repair & Maintenance - Other | 13,179.59 | 3,725.75 | 900.37 | 17,805.71 |
| Total 603 · Repair & Maintenance | 32,175.79 | 4,014.88 | 5,608.92 | 41,799.59 |
| 604 · Building Repair & Maintenance | | | | |
| 604.6 · Building Water Utility | 32.22 | 32.22 | 36.04 | 100.48 |
| 604 · Building Repair & Maintenance - Other | 881.71 | 744.14 | 966.68 | 2,592.53 |
| Total 604 · Building Repair & Maintenance | 913.93 | 776.36 | 1,002.72 | 2,693.01 |
| 605 · Water Tests & Analysis | 1,467.99 | 1,240.50 | 1,918.68 | 4,627.17 |
| 607.6 · Direct Employee Costs | 8,648.12 | 8,883.67 | 0.00 | 17,531.79 |
| 608 · Truck | 752.85 | 2,238.58 | 502.02 | 3,493.45 |
| 610 · Office Supplies | 1,687.63 | 910.08 | 1,948.07 | 4,545.78 |
| 611 · Telephone | 309.92 | 311.02 | 265.25 | 886.19 |
| 612 · Postage | 300.50 | 353.75 | 300.50 | 954.75 |
| 613 · Rent | 100.00 | 100.00 | 100.00 | 300.00 |
| 615 · Schools & Meetings | 295.84 | 205.07 | 80.00 | 580.91 |
| 617 · Accounting | 0.00 | 8,000.00 | 141.20 | 8,141.20 |
| 618 · Legal | | | | |
| 618.12 · SGMA Litigation | 7,697.24 | 2,646.00 | 0.00 | 10,343.24 |
| 618 · Legal - Other | 60.00 | 50,270.00 | 3,162.00 | 53,492.00 |
| Total 618 · Legal | 7,757.24 | 52,916.00 | 3,162.00 | 63,835.24 |
| 619 · Property Taxes | 1,464.98 | 0.00 | 0.00 | 1,464.98 |
| 620 · Insurance | 1,595.73 | 1,451.00 | 1,451.00 | 4,497.73 |
| 620.1 · Management Fee | | | | |
| 620.12 · Utility Personnel | 7,303.20 | 9,519.48 | 17,640.54 | 34,463.22 |
| 620.13 · Administrative Personnel | 15,924.46 | 19,490.71 | 20,791.65 | 56,206.82 |
| Total 620.1 · Management Fee | 23,227.66 | 29,010.19 | 38,432.19 | 90,670.04 |
| 626 · Uniforms | 114.48 | 80.09 | 75.88 | 270.45 |
| 627 · Dues & Subscriptions | 0.00 | 0.00 | 2,555.00 | 2,555.00 |
| 628 · Miscellaneous Fees/Permits | 0.00 | 5,384.24 | 0.00 | 5,384.24 |
| 630 · Miscellaneous Other | 85.70 | 177.17 | (262.87) | 0.00 |
| 630.1 · SGMA Ongoing | 83,260.38 | 8,691.07 | 0.00 | 91,951.45 |
| 6560 · Payroll Expenses | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Expense | 164,158.74 | 124,743.67 | 57,280.56 | 346,182.97 |
| Net Ordinary Income | (80,091.54) | (68,660.00) | (24,843.29) | (173,594.83) |
| Other Income/Expense | | | | |
| Other Expense | | | | |
| 609 · Depreciation | 18,750.00 | 18,750.00 | 18,750.00 | 56,250.00 |
| Total Other Expense | 18,750.00 | 18,750.00 | 18,750.00 | 56,250.00 |
| Net Other Income | (18,750.00) | (18,750.00) | (18,750.00) | (56,250.00) |
| Net Income | (98,841.54) | (87,410.00) | (43,593.29) | (229,844.83) |

Rancho Pauma Mutual Water Co.
Revenue & Expense Report - 2 Year Comparison
Year-to-Date

| | Nov '22 - Jan 23 | Nov '21 - Jan 22 | \$ Change |
|---------------------------------------|------------------|------------------|-------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| 550 · Water Sales-Local | 93,200.31 | 111,301.36 | -18,101.05 |
| 552 · Interest | 879.34 | 64.49 | 814.85 |
| 553 · Stock Transfers | 0.00 | 105.00 | -105.00 |
| 554 · Meter Installation Charge | 0.00 | 6,435.00 | -6,435.00 |
| 555 · Miscellaneous Income | 77.00 | 385.00 | -308.00 |
| 556 · Vacant Lot Charge | 2,229.57 | 2,121.57 | 108.00 |
| 558 · Delinquent Charges | 9,423.35 | 1,729.08 | 7,694.27 |
| 570 · Infrastructure Service Charge | 86,541.99 | 80,161.14 | 6,380.85 |
| 571 · Yuima MWD Fixed Charges | 0.00 | 31,110.18 | -31,110.18 |
| 572 · Electrical Energy | 33,254.39 | 35,363.57 | -2,109.18 |
| Total Income | 225,605.95 | 268,776.39 | -43,170.44 |
| Cost of Goods Sold | | | |
| 5001 · YMWD Import Water Purchase | 0.00 | 0.00 | 0.00 |
| 5001.5 · YMWD Fixed Chgs pass-through | 19,525.13 | 27,942.94 | -8,417.81 |
| 5002 · Electrical Costs pass-through | 33,492.68 | 35,494.77 | -2,002.09 |
| Total COGS | 53,017.81 | 63,437.71 | -10,419.90 |
| Gross Profit | 172,588.14 | 205,338.68 | -32,750.54 |
| Expense | | | |
| 603 · Repair & Maintenance | 41,799.59 | 39,525.81 | 2,273.78 |
| 604 · Building Repair & Maintenance | 2,693.01 | 2,769.78 | -76.77 |
| 605 · Water Tests & Analysis | 4,627.17 | 6,373.84 | -1,746.67 |
| 607.6 · Direct Employee Costs | 17,531.79 | 0.00 | 17,531.79 |
| 608 · Truck | 3,493.45 | 4,798.80 | -1,305.35 |
| 610 · Office Supplies | 4,545.78 | 6,350.42 | -1,804.64 |
| 611 · Telephone | 886.19 | 1,341.35 | -455.16 |
| 612 · Postage | 954.75 | 901.50 | 53.25 |
| 613 · Rent | 300.00 | 300.00 | 0.00 |
| 614 · Bad Debts | 0.00 | 90.00 | -90.00 |
| 615 · Schools & Meetings | 580.91 | 301.49 | 279.42 |
| 616 · Engineering & Maps | 0.00 | 875.00 | -875.00 |
| 617 · Accounting | 8,141.20 | 8,090.00 | 51.20 |
| 618 · Legal | 63,835.24 | 10,957.11 | 52,878.13 |
| 619 · Property Taxes | 1,464.98 | 1,441.70 | 23.28 |
| 620 · Insurance | 4,497.73 | 3,885.99 | 611.74 |
| 620.1 · Management Fee | 90,670.04 | 80,078.42 | 10,591.62 |
| 626 · Uniforms | 270.45 | 228.07 | 42.38 |
| 627 · Dues & Subscriptions | 2,555.00 | 3,072.00 | -517.00 |
| 628 · Miscellaneous Fees/Permits | 5,384.24 | 4,860.86 | 523.38 |
| 630 · Miscellaneous Other | 0.00 | 120.89 | -120.89 |
| 630.1 · SGMA Ongoing | 91,951.45 | 0.00 | 91,951.45 |
| 6560 · Payroll Expenses | 0.00 | 0.00 | 0.00 |
| Total Expense | 346,182.97 | 176,363.03 | 169,819.94 |
| Net Ordinary Income | -173,594.83 | 28,975.65 | -202,570.48 |
| Other Income/Expense | | | |
| Other Expense | | | |
| 609 · Depreciation | 56,250.00 | 56,649.00 | -399.00 |
| Total Other Expense | 56,250.00 | 56,649.00 | -399.00 |
| Net Other Income | -56,250.00 | -56,649.00 | 399.00 |
| Net Income | -229,844.83 | -27,673.35 | -202,171.48 |