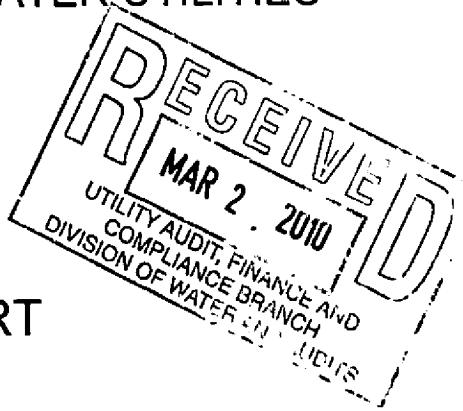


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Examined _____

**CLASS B and C
WATER UTILITIES**

U# 85 Wt-C



**2009
ANNUAL REPORT
OF**

Agate Bay Water Company

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

5424 Treeside Drive

Carmichael, California 95608

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2009**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2010

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GENERAL INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2010**, with:

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

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page 34, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference, it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2009, through December 31, 2009. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR ALL WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

GENERAL INFORMATION

- 1 Name under which utility is doing business: Agate Bay Water Company
- 2 Official mailing address: 5424 Treeside Drive
Carmichael, California ZIP 95608
- 3 Name and title of person to whom correspondence should be addressed:
Lenore Davis or Steven Glazer Telephone: 916 481 7666 or 530 525 666
- 4 Address where accounting records are maintained: Carmichael, California
- 5 Service Area (Refer to district reports if applicable):
Placer County- North Lake Tahoe- Agate Bay Subdivision
- 6 Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
Name: Duncan Davis
Address: 706 Agate Road Telephone: 530 546 3337
- 7 OWNERSHIP. Check and fill in appropriate line:
- | | |
|-------------------------------------|---|
| <input type="checkbox"/> | Individual (name of owner) _____ |
| <input type="checkbox"/> | Partnership (name of partner) _____ |
| <input type="checkbox"/> | Partnership (name of partner) _____ |
| <input type="checkbox"/> | Partnership (name of partner) _____ |
| <input checked="" type="checkbox"/> | Corporation (corporate name) <u>Agate Bay Water Company</u> _____ |
- Organized under laws of (state) California Date: _____
- Principal Officers:
- | | |
|----------------------------|--|
| (Name) <u>Lenore Davis</u> | (Title) <u>President & Treasurer</u> |
| (Name) _____ | (Title) _____ |
| (Name) _____ | (Title) _____ |
| (Name) _____ | (Title) _____ |
- 8 Names of associated companies: _____
- 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: _____ |
| _____ | Date: _____ |
- 10 Use the space below for supplementary information or explanations concerning this report:

- 11 List Name, Grade, and License Number of all Licensed Operators:
Steven M. Glazer T_3 # 8063

BALANCE SHEET AND CAPITALIZATION DATA

Calendar Year 2009

NAME OF UTILITY Agate Bay Water Company PHONE 530 525 6659

PERSON RESPONSIBLE FOR THIS REPORT Steven M. Glazer

	<u>1/1/2009</u>	<u>12/31/2009</u>	<u>Average</u>
BALANCE SHEET DATA			
1 Intangible Plant			
2 Land and Land Rights	10500	10500	10500
3 Depreciable Plant	1067348	1085580	1076464
4 Gross Plant in Service	1077848	1096080	1086964
5 Less: Accumulated Depreciation	-427089	-456400	-441744.5
6 Net Water Plant in Service	650759	639680	645219.5
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies	5926	5926	5926
10 Less: Advances for Construction	()	()	()
11 Less: Contribution in Aid of Construction	()	()	()
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	656685	645606	651145.5
CAPITALIZATION			
14 Common Stock	45734	45734	45734
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	51624	51624	51624
17 Retained Earnings	-72728	-103938	-88333
18 Common Stock and Equity (Lines 14 through 17)	24630	-6580	9025
19 Preferred Stock			
20 Long-Term Debt	60964	0	30482
21 Notes Payable	248338	302500	275419
22 Total Capitalization (Lines 18 through 21)	333932	295920	314926

INCOME STATEMENT AND OTHER DATA

Calendar Year 2009

NAME OF UTILITY Agate Bay Water Company

PHONE 5305256659

	Annual Amount
INCOME STATEMENT	
23 Unmetered Water Revenue	286685
24 Fire Protection Revenue	1579
25 Irrigation Revenue	_____
26 Metered Water Revenue	_____
27 Total Operating Revenue	288264
28 <u>Operating Expenses</u>	174112
29 Depreciation Expense (Composite Rate <u>2.7</u>)	29311
30 Amortization and Property Losses	_____
31 Property Taxes	6682
32 Taxes Other Than Income Taxes	8642
33 Total Operating Revenue Deduction Before Taxes	218747
34 California Corp. Franchise Tax	851
35 Federal Corporate Income Tax	"S" corp
36 Total Operating Revenue Deduction After Taxes	219598
37 Net Operating Income (Loss) - California Water Operations	68666
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	-188
39 Income Available for Fixed Charges	68478
40 Interest Expense	21246
41 Net Income (Loss) Before Dividends	47232
42 Preferred Stock Dividends	_____
43 Net Income (Loss) Available for Common Stock	47232

OTHER DATA

44 Refunds of Advances for Construction	_____
45 Total Payroll Charged to Operating Expenses	45646
46 Purchased Water	_____
47 Power	5540

	Jan. 1	Dec. 31	Annual Average
<u>Active Service Connections</u> (Exc. Fire Protect.) _____			
48 Metered Service Connections	_____	_____	_____
49 Flat Rate Service Connections	579	579	579
50 Total Active Service Connections	579	579	579

Excess Capacity and Non-Tariffed Services

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

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2009:

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

SCHEDULE A
COMPARATIVE BALANCE SHEET
Assets and Other Debits

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
		UTILITY PLANT			
1	101	Water plant in service	A-1	1096080	1077848
2	103	Water plant held for future use	A-1 & A-1b		
3	104	Water plant purchased or sold	A-1		
4	105	Water plant construction work in progress	A-1		
5		Total utility plant		1096080	1077848
6	106	Accumulated depreciation of water plant	A-3	-456400	-427089
7	114	Water plant acquisition adjustments	A-1		
8		Total amortization and adjustments			
9		Net utility plant		639680	650759
		INVESTMENTS			
10	121	Non-utility property and other assets			
11	122	Accumulated depreciation of non-utility property	A-3		
12		Net non-utility property			
13	123	Investments in associated companies			
14	124	Other investments			
15		Total investments			
		CURRENT AND ACCRUED ASSETS			
16	131	Cash		23314	5392
17	132	Special accounts			
18	141	Accounts receivable - customers			
19	142	Receivables from associated companies			
20	143	Accumulated provision for uncollectible accounts			
21	151	Materials and supplies		5926	5926
22	174	Other current assets			
23		Total current and accrued assets		29240	11318
24	180	Deferred charges	A-5		
25		Total assets and deferred charges		668920	662077

**SCHEDULE A
COMPARATIVE BALANCE SHEET
Liabilities and Other Credits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
CORPORATE CAPITAL AND SURPLUS					
1	201	Common stock	A-6	45734	45734
2	204	Preferred stock	A-6		
3	211	Other paid-in capital	A-8	0	
4	215	Retained earnings	A-9	-103938	-72728
5		Total corporate capital and retained earnings		-58204	-26994
PROPRIETARY CAPITAL					
6	218	Proprietary capital	A-10	85369	85369
7	218.1	Proprietary drawings			
8		Total proprietary capital		85369	85369
LONG TERM DEBT					
9	224	Long term debt	A-11	302500	248338
10	225	Advances from associated companies	A-12		
CURRENT AND ACCRUED LIABILITIES					
11	231	Accounts payable			
12	232	Short term notes payable			60964
13	233	Customer deposits			
14	235	Payables to associated companies	A-13		
15	236	Accrued taxes		962	234
16	237	Accrued interest			
17	241	Other current liabilities	A-14	0	0
18		Total current and accrued liabilities		962	61198
DEFERRED CREDITS					
19	252	Advances for construction	A-15		
20	253	Other credits			
21	255	Accumulated deferred investment tax credits	A-16		
22	282	Accumulated deferred income taxes - ACRS depreciation	A-16		
23	283	Accumulated deferred income taxes - other	A-16	338293	294166
24		Total deferred credits		338293	294166
CONTRIBUTIONS IN AID OF CONSTRUCTION					
25	271	Contributions in aid of construction	A-17		
26	272	Accumulated amortization of contributions			
27		Net contributions in aid of construction			
28		Total liabilities and other credits		668920	662077

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water plant in service	1077848	18232			1096080
2	103	Water plant held for future use					
3	104	Water plant purchased or sold					
4	105	Construction work in progress - water plant					
5	114	Water plant acquisition adjustments					
6		Total utility plant	1077848	18232			1096080

* 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 Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
NON-DEPRECIABLE PLANT							
1	301	Intangible plant					
2	303	Land	10500	0			10500
3		Total non-depreciable plant	10500	0			10500
DEPRECIABLE PLANT							
4	304	Structures	63791	0			63791
5	307	Wells	12812	0			12812
6	317	Other water source plant	37413	0			37413
7	311	Pumping equipment	28256	0			28256
8	320	Water treatment plant	311761	0			311761
9	330	Reservoirs, tanks and sandpipes	88121	0			88121
10	331	Water mains	309293	14997			324290
11	333	Services and meter installations	6383	0			6383
12	334	Meters	860	0			860
13	335	Hydrants	41187	0			41187
14	339	Other equipment	40526	3235			43761
15	340	Office furniture and equipment	4322	0			4322
16	341	Transportation equipment	122623	0			122623
17		Total depreciable plant	1067348	18232			1085580
18		Total water plant in service	1077848	18232			1096080

* 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				
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		
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	

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

Line No.	Item (a)	Account 106 Water Plant (b)	Account 106.1 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	-427089		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	-29311		
4	(b) Charged to Account No 272			
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits			
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	-456400		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE		2.7	%
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	X		
31	(b) Liberalized	<input type="checkbox"/>		
32	(1) Sum of the years digits	<input type="checkbox"/>		
33	(2) Double declining balance	<input type="checkbox"/>		
34	(3) Other	<input type="checkbox"/>		
35	(c) Both straight line and liberalized	<input 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 Excluding Costs of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures	NA				
2	307	Wells	Included				
3	317	Other water source plant	in				
4	311	Pumping equipment	Totals				
5	320	Water treatment plant					
6	330	Reservoirs, tanks and sandpipes					
7	331	Water mains					
8	333	Services and meter installations					
9	334	Meters					
10	335	Hydrants					
11	339	Other equipment					
12	340	Office furniture and equipment					
13	341	Transportation equipment					
14		Total	-427089	-29311			-456400

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

Line No.	Item (a)	Amount (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

SCHEDULE A-5

Accounts Nos. 180 and 253 - Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of Long-Term Debts (a)	Principal Amount of Securities to Which Discount and Expense, or Premium Minus Expense, Relates (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1	Water Treatment Plant								
2	1999 loan to Company	310000				248338		54162	302500
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

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

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common	4/1/1962	1710	50	1710	1710		
2								
3								
4								
5								
6								
7								
8							Total	

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number of Shares (b)	PREFERRED STOCK	Number of Shares (d)
	Name (a)		Name (c)	
1	Lenore Davis	1710		
2				
3				
4				
5				
6				
7				
8				
9				
10	Total number of shares		Total number of shares	

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

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

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	-72728
2	CREDITS	
3	Net income	
4	Prior period adjustments	
5	Other credits (detail)	
6	Total Credits	
7		
8	DEBITS	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	
14	Total Debits	-31210
15	Balance end of year	-103938

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

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	85369
2	CREDITS	
3	Net income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total Credits	
7	DEBITS	
8	Net losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total Debits	
12	Balance end of year	85369

SCHEDULE A-11
Account No. 224 - Long-Term Debt

Line No.	Class (a)	Name of Issue (b)	Date of Issue (c)	Date of Maturity (d)	Principal Amount Authorized (e)	Outstanding Per Balance Sheet (f)	Interest Rate (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	Agate Bay Properties	AB Prop								
2	Loan for Filter		4/1/1999		310000	302500	7.5			21249
3										
4										
5										
6										

SCHEDULE A-12
Account No. 225 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3					
4					
5					
6	Totals				

Schedule A-13
Account No. 235 - Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3					
4					
5					
6	Totals				

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

Line No.	Description (a)	Balance End of Year (b)
1	Accrued interest payable Agate Bay Properties	0
2	Bank of America interest on Pipeline	
3		
4		
5	Total	0

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

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

SCHEDULE A-16
Account Nos. 255, 282, and 283 - Deferred Taxes

Line No	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 - Other (d)
1	Income Tax "S" Corporation beginning 2009			294166
2	Federal & State Income Taxes			
3	Balance Depreciation			19381
4	Additions end of 2009			24746
5	Total			338293

SCHEDULE A-17

Account No. 271 - Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid of Construction

1. The credit balance in the account other than that portion of the balance relating to non-depreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 106, Accumulated depreciation of water plant, over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account No. 106. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.
2. That portion of the balance applicable to non-depreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such non-depreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.
3. That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

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

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

**SCHEDULE B
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
UTILITY OPERATING INCOME				
1	400	Operating Revenues	B-1	288264
OPERATING REVENUE DEDUCTIONS				
2	401	Operating expenses	B-2	174112
3	403	Depreciation expense	A-3	29311
4	407	SDWBA loan amortization expense	pages 7 & 8	
5	408	Taxes other than income taxes+payroll	B-3	15324
6	409	State corporate income tax expense	B-3	851
7	410	Federal corporate income tax expense	B-3	"S" Corp
8		Total operating revenue deductions		219598
9		Total utility operating income		68666
OTHER INCOME AND DEDUCTIONS				
10	421	Non-utility income	B-5	54
11	426	Miscellaneous non-utility expense	B-5	0
12	427	Interest expense	B-6	21249
13		Total other income and deductions		21303
14		Net income		47363

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
		WATER SERVICE REVENUES			
1	460	Unmetered water revenue			
2		460.1 Single - family residential	279594	292925	-13331
3		460.2 Commercial and multi-residential			
4		460.3 Large water users	1434	1434	0
5		460.5 Safe Drinking Water Bond Surcharge			
6		460.9 Other unmetered revenue	5657	5657	0
7		Sub-total	286685	300016	-13331
8	462	Fire protection revenue			
9		462.1 Public fire protection			
10		462.2 Private fire protection	1579	1579	
11		Sub-total	1579	1579	0
12	465	Irrigation revenue			
13	470	Metered water revenue			
14		470.1 Single-family residential			
15		470.2 Commercial and multi-residential			
16		470.3 Large water users			
17		470.5 Safe Drinking Water Bond Surcharge			
18		470.9 Other metered revenue			
19		Sub-total			
20		Total water service revenues	288264	301595	-13331
21	480	Other water revenue			
22		Total operating revenues			

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
		PLANT OPERATION AND MAINTENANCE EXPENSES			
		VOLUME RELATED EXPENSES			
1	610	Purchased water			
2	615	Power	5540	7326	-1786
3	616	Other volume related expenses	7946	6335	1611
4		Total volume related expenses	13486	13661	-175
		NON-VOLUME RELATED EXPENSES			
5	630	Employee labor	28962	24410	4552
6	640	Materials	9116	7832	1284
7	650	Contract work includes DHS required samples \$5319	34400	22654	11746
8	660	Transportation expenses	8277	12322	-4045
9	664	Other plant maintenance expenses	1866	1712	154
10		Total non-volume related expenses	82621	68930	13691
11		Total plant operation and maintenance exp.	96107	82591	13516
		ADMINISTRATIVE AND GENERAL EXPENSES			
12	670	Office salaries	1822	10256	-8434
13	671	Management salaries	20000	27612	-7612
14	674	Employee pensions and benefits	7400	8982	-1582
15	676	Uncollectible accounts expense			
16	678	Office services and rentals	11872	5800	6072
17	681	Office supplies and expenses	14561	12079	2482
18	682	Professional services	5692	6248	-556
19	684	Insurance	11988	12562	-574
20	688	Regulatory commission expense	1800	1000	800
21	689	General expenses	2870	2570	300
22		Total administrative and general expenses	78005	87109	-9104
23	800	Expenses capitalized			
24		Net administrative and general expense			
25		Total operating expenses	174112	169700	4412

SCHEDULE B-3

Account No. 408, 409, 410 - Taxes Charged During the Year

Line No.	Type of Tax (a)	Total Taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	6682		
2	State corporate franchise tax	851		
3	State unemployment insurance tax			
4	Other state and local taxes	1102		
5	Federal unemployment insurance tax			
6	Federal insurance contributions act			
7	Other federal taxes payroll	7540		
8	Federal income taxes "S" Corp	****		
9	Total	16175		

SCHEDULE B-4

Reconciliation of Reported Net Income for Federal Income Taxes

1 Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

2 If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax amount the group members.

3 Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5		
6		
7		
8		
9		
10	Federal tax net income	
11	Computation of tax:	
12		
13		
14		
15		
16		
17		

SCHEDULE B-5			
Accounts No. 421 and 426 - Income from Nonutility Operations			
Line No.	Description (a)	Revenue Acct. 421 (b)	Expense Acct. 426 (c)
1	Interest Income	54	
2			
3			
4			
5	Total	54	

SCHEDULE B-6		
Account No. 427 - Interest Expense		
Line No.	Description (a)	Amount (b)
1	Agate Bay Properties Accrued Interest Payable	21249
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	21249

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	1	23824		23824
2	670	Office salaries	1	1822		1822
3	671	Management salaries	1	20000		20000
4						
5						
6		Total		45646		45646

SCHEDULE C-2								
Loans to Directors, Officers, or Shareholders								
Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (e)	Security Given (f)	Date of Shareholder Authorization (g)	Other Information (h)
1								
2								
3								
4								
5								
6								
7		Total						

SCHEDULE C-3	
Engineering and Management Fees and Expenses, Etc., During Year	
Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.
1	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)
2	(If the answer is in the affirmative, make appropriate replies to the following questions)*
3	2. Name of each organization or person that was a party to such a contract or agreement.
4	
5	
6	3. Date of original contract or agreement.
7	4. Date of each supplement or agreement.
8	5. Amount of compensation paid during the year for supervision or management \$
9	6. To whom paid
10	7. Nature of payment (salary, traveling expenses, etc.).
11	8. Amounts paid for each class of service.
12	
13	9. Basis for determination of such amounts
14	
15	10. Distribution of payments: Amount
16	(a) Charged to operating expenses \$
17	(b) Charged to capital amounts \$
18	(c) Charged to other account \$
19	Total \$
20	11. Distribution of charges to operating expenses by primary accounts
21	Number and Title of Account Amount
22	\$
23	\$
24	\$
25	Total \$
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?
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.	

SCHEDULE D-1									
Sources of Supply and Water Developed									
STREAMS					FLOW IN (Unit) ²			Annual Quantities Diverted (Unit) ²	Remarks
Line No.	Diverted Into *	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1	Agate Treatment	Lake Tahoe	6000 NL Blvd		200gpm			13.025MG	
2									
3									
4									
5									
WELLS						Pumping Capacity (Unit) ²	Annual Quantities Pumped (Unit) ²	Remarks	
Line No.	At Plant (Name or Number)	Location	No.	Dimensions	Depth to Water ¹				
6									
7									
8									
9									
10									
TUNNELS AND SPRINGS				FLOW IN (Unit) ²			Annual Quantities Pumped (Unit) ²	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum				
11	Spring	Agate Hill				69.001 MG	gravity		
12									
13									
14									
15									
Purchased Water for Resale									
16	Purchased from								
17	Annual Quantities purchased (Unit chosen) ¹								
18									
19									
<p>* State ditch pipeline reservoir, etc., with name, if any.</p> <p>1 Average depth to water surface below ground surface</p> <p>2 The quantity unit in established use for experiencing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second. In gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.</p>									

SCHEDULE D-2				
Description of Storage Facilities				
Line No	Type	No.	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs			
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal	2	350,000 total combined gallons storage 1= 350,000 & 1=50,000	
12	Concrete			
13	Total	2	350,000 gallons	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

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

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Continued)									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lined conduit								
9									
10	Total								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING										
Line No.	Description	1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast Iron									
12	Cast iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw	10000	4473							
17	Screw or welded casing									
18	Cement - asbestos									
19	Welded steel					550	8400		18410	3340
20	Wood									
21	4 & 6 c-900 & 6" poly lake intake 1740			100			410		4670	
22	Total	10000	4573			550	8810		23080	3340

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - (Continued)									
Line No.	Description	10	12	14	16	18	20	Other Sizes (Specify)	Total All Sizes
23	Cast Iron								
24	Cast iron (cement lined)								
25	Concrete								
26	Copper								
27	Riveted steel								
28	Standard screw								
29	Screw or welded casing								
30	Cement - asbestos								
31	Welded steel								
32	Wood								
33	Other (specify)								
34	Total								50353

SCHEDULE D-4 Number of Active Service Connections				
Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior	Current	Prior	Current
	Year	Year	Year	Year
Single family residential			579	579
Commercial and Multi-residential				
Large water users			1	1
Public authorities				
Industrial				
Irrigation				
Other (specify) additional units			16	16
Subtotal			596	596
Private fire connections			7	7
Public fire hydrants			40	40
Total			643	643

SCHEDULE D-5 Number of Meters and Services on Pipe Systems at End of Year		
Size	Meters	Services
5/8 x 3/4 - in		
3/4 - in		
1 - in		
- in		
- in		
- in		
- in		
- in		
Other		
Total		

SCHEDULE D-6 Meter Testing Data	
A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received . . .	_____
2. Used, before repair	_____
3. Used, after repair	_____
4. Found fast, requiring billing adjustment	_____
B. Number of Meters in Service Since Last Test	
1. Ten years or less	_____
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 _____ (Unit Chosen) ¹									
	During Current Year							Subtotal	
	January	February	March	April	May	June	July		
Single-family residential									
Commercial and Multi-residential									
Large water users									
Public authorities									
Irrigation									
Other (specify)									
Total									
	During Current Year						Subtotal	Total	Total Prior Year
	August	September	October	November	December				
Single-family residential									
Commercial and Multi-residential									
Large water users									
Public authorities									
Irrigation									
Other (specify)									
Total									

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 __1502_____

SCHEDULE D-8
Status With State Board of Public Health

1. Has the State or Local Health Department reviewed the sanitary condition of your water system during the past year? Yes	
2. Are you having routine laboratory tests made of water served to your consumers? Yes	
3. Do you have a permit from the State Board of Public Health for operation of your water system? Yes	
4. Date of permit: June 2001	
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.

DECLARATION

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

I, the undersigned Steven M. Glazer- General Manager
Authorized Officer, Partner or Owner

of Agate Bay Water Company
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2009, through December 31, 2009. (date)



Signature Steven M. Glazer

General Manager

Title

February 24, 2010

Date

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