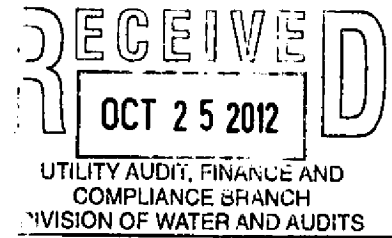


J ✓

Received _____
Examined _____

**CLASS D
WATER UTILITIES**

U# _____



**2011
ANNUAL REPORT
OF**

Arroyo Center Water Company, Inc.

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

47475 Arroyo Seco Road, Greenfield, CA
(OFFICIAL MAILING ADDRESS)

93927
ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2011**

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2012

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INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN APRIL 2, 2012**, 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 12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
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 flow 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, 2011, through December 31, 2011. Fiscal year reports will not be accepted.

CLASS D WATER UTILITIES
(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Arroyo Center Water Company, Inc.

(Name under which corporation, partnership or individual is doing business)

46475 Arroyo Seco Road, Greenfield, CA 93927

(Official mailing address)

Arroyo Seco Resort, Monterey County

(Service Area - Town and County)

Telephone Number: (831) 674-0416 Fax Number: (831) 674-3304

Email Address: N/A

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)
RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:
(A) Date of organization Jun 9, 1961 incorporated in the State of California
(B) Names, titles and addresses of principal officers: See Attached

2. If unincorporated provide the name and address of the owner(s) or the partners:
N/A

3. Name, title, and telephone number of:
(A) One person listed above to receive correspondence: **Bob Land** (831) 758-6411
(B) Person responsible for operations and services: **Michael Courrejou** (831) 505-7720

4. Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) **Yes**
If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged? **See Below**

5. State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:
Arroyo Seco Resort, Inc.

PUBLIC HEALTH STATUS

6. Has state or local health department inspection been made during the year?
7. Are routine laboratory tests of water being made?
8. Has state health department water supply permit been obtained? (Indicate date)
9. If no permit has been obtained, state whether application has been made and when.
10. Show expiration date if state permit is temporary.

Yes	No	Latest Date
X		Aug 12
X		Sep 12
X		Jun 12
N/A		
X		Jun 13

11. List Name, Grade, and License Number of all Licensed Operators:
Martin Corda, Treatment 2 & Distribution 2, License # 47885

Arroyo Center Water Company, Inc.Class D - Water Utility

Supplemental Information

LINE 1B - Names, titles and addresses of principal officers:

Name: Robert Serrano
Title: President
Address: 23 Wyndermere Rise
Monterey, CA 93940

Name: Troy Lawson
Title: Secretary
Address: 130 Laurent St.
Santa Cruz, CA 95060

Name: Michael Courrejou
Title: Vice -President
Address: 47411 Arroyo Seco Road
Greenfield, CA 93927

Name: Bob Land
Title: Treasurer
Address: 723 Montecito Way
Salinas, CA 93901

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 company's 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 goods and services provided in calendar year 2011:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter												
Row No.	Description of Non-Tariffed Good/Service	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
		Active or Passive										

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent: **Not Applicable**

Name: _____
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

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

\$ _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total		

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)**

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF funds:

Not Applicable

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2011)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	230,752	201	Common Stock (Corporations only)	10,000
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	
3	103	Water plant held for future use		215	Retained earnings	80,340
4	104	Water plant purchased or sold		218	Proprietary capital	
5	105	Water plant construction work in progress		224	Long term debt	
6	108	Accumulated depreciation of water plant	(53,846)		Current Liabilities	116,477
7	114	Water plant acquisition adjustments		252	Advances for construction	
8	124	Other investments		253	Other deferred credits	
9	131	Cash	21,576	255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers	8,335	282	Accumulated deferred income taxes - ACRS	
11	142	Receivables from associated companies			depreciation	
12	151	Materials and supplies		283	Accumulated deferred income taxes - other	
13	174	Other current assets		271	Contributions in aid of construction	
14	180	Deferred charges		272	Accumulated amortization of contributions	
15		Total Assets	206,817		Total Equity and Liabilities	206,817

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
1	301	Intangible plant					
2	303	Land	300				300
3	304	Structures					
4	307	Wells	9,822				9,822
5	317	Other water source plant	12,841				12,841
6	311	Pumping equipment	4,847				4,847
7	320	Water treatment plant	202,221				202,221
8	330	Reservoirs tanks and sandpipes					
9	331	Water mains					
10	333	Services and meter installations					
11	334	Meters	721				721
12	335	Hydrants					
13	339	Other equipment					
14	340	Office furniture and equipment					
15	341	Transportation equipment					
16		Total water plant in service	230,752				230,752

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
1	Balance in reserves at beginning of year	45,757		A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272			Straight-Line 25 Years
4	(b) Charged to Account No. 403	8,089		
5	(c) Charged to Account No. 407			B. Amount of depreciation expense claimed
6	(d) Salvage recovered			or to be claimed on utility property in
7	(e) All other credits			your federal income tax return for the year
8	Total credits	8,089		covered by this report \$ 8,089
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			C. State method used to compute tax
12	(c) All other debits			depreciation.
13	Total debits			Straight-Line 25 Years
14	Balance in reserve at end of year	53,846		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2011)

Line				
1	Common - (Shares	\$	par)	List persons owning more than 5% of outstanding stock
2	Preferred - (Shares	\$	par)	and number of shares owned by each:
3	Dividends - Common	Rate - \$		100% of stock owned by Arroyo Seco Resort, Inc.
4	- Preferred	Rate - \$		

SCHEDULE E - LONG-TERM DEBTS

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
1								
2								
3								
4	Total				None			

SCHEDULE F - INCOME STATEMENT

1	Acct.	Operating revenues	
2	460	Unmetered water revenue	54,758
3	462	Fire protection revenue	
4	465	Irrigation revenue	
5	470	Metered water revenue	
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue	175
8		Total Revenue Received	54,933
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	
11		Total Operating Revenue	54,933
12		Operating expenses	
13	610	Purchased water	
14	615	Purchased power	2,922
15	618	Other volume related expenses	
16	630	Employee labor	16,800
17	640	Materials	
18	650	Contract work	3,000
19	660	Transportation expenses	
20	664	Other plant maintenance expense	10,098
21	670	Office salaries	
22	671	Management salaries	
23	674	Employee pensions and benefits	900
24	676	Uncollectible accounts expense	542
25	678	Office services and rentals	817
26	681	Office supplies and expense	298
27	682	Professional services	2,935
28	684	Insurance	1,830
29	688	Regulatory commission expense	5,013
30	689	General expenses	35
31		Total Operating Expenses	45,190
32	403	Depreciation expense	8,089
33	407	SDWBA loan amortization expense	
34	408	Taxes other than income taxes	1,764
35	409	State income tax expense	800
36	410	Federal income tax expense	
37		Total Operating Revenue Deductions	55,843
38		Utility Operating Income	(910)
39	421	Non-utility income	
40	426	Miscellaneous non-utility expense	
41	427	Interest expense	
42		Net Income	(910)

SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS

Location	No.	Diam. Inch	Depth to Water Feet	Pumping Capacity (g.p.m.)	Annual Quantities Pumped
Arroyo Seco River Bed	1	8	29	30	
Arroyo Seco River Bed	2	8	29	20	

OTHER

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Purchased water (unit)				Annual Quantity	
Supplier:					

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential			
Commercial			
Industrial			
Fire Protection			
Irrigation			
Other (specify)			
Total			Not Available

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION

Line	Acct	Account	Number at End of Year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
1	630	Employee Labor	1	16,800		16,800
2	670	Office salaries				
3	671	Management salaries				
4		Total	1	16,800		16,800

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	-0-
Additions during year	
Subtotal - Beginning balance plus additions during year	-0-
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	-0-

**SCHEDULE K - TOTAL METERS
AND SERVICES (Active and Inactive)**

Size	Meters	Services
5/8 x 3/4-in	None	
3/4-in		
1-in		
-in		
-in		
Total		62

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair	None
2	Used, after repair	
3	Fast, requiring refund	
Numbers of meters in service requiring test per General Order No. 103		

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences		62	62					62
Industrial/Commercial								
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total		62	62					62

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	Pipe Sizes				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete	1		Cast Iron					
Earth			Welded steel					
Wood			Standard screw	5,000				5,000
Steel			Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total	1		Total	5,000				5,000

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2011, pursuant to Resolution No. W-4110.

Not Applicable

1. Trust Account Information:

Bank Name: _____
 Address: _____
 Account Number: _____
 Date Opened: _____

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

A. Commercial

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

	AMOUNT
Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

DECLARATION

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

I, the undersigned Robert L. Land (Officer)
Officer, Partner, or Owner (Please Print)

of Arroyo Center Water Company, Inc.
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2011, through December 31, 2011.

Treasurer
Title (Please Print)

Robert L Land
Signature

(831) 758-6411
Telephone Number

October 23, 2012
Date

(831) 674-5562
Fax: (831) 674-5265
1 (800) 680-4829

Green's Accounting
Certified Public Accountant

Three hundred El Camino Real
Post Office Box 698
Greenfield, California 93927

October 23, 2012

California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

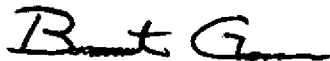
Attention: Ramon Go
UAFCB
Division of Water and Audits

Dear Ramon:

Enclosed please find an original copy of the Water and/or Sewer Utilities Annual Report for the Arroyo Center Water Company, Inc. An electronic copy was also sent on October 23, 2012 to ramon.go@cpuc.ca.gov.

Should you have any questions, please do not hesitate to call.

Yours very truly,



Brent Green
Greens' Accounting
Certified Public Accountants

Enclosures

(831) 674-5562

Fax: (831) 674-5265

1 (800) 680-4829

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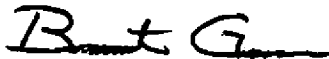
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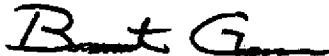
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