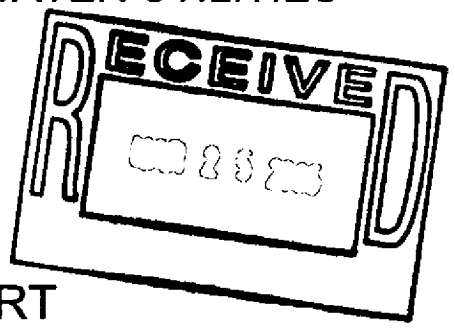


34

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____



2004
ANNUAL REPORT
OF

CALIF. HOT SPRINGS WATER & SEWER CO.

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

P.O. Box 146

CAL. HOT SPRINGS, CA. 93207 ZIP
(OFFICIAL MAILING ADDRESS)

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2004

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2005
(FILE TWO COPIES IF THREE RECEIVED)

INSTRUCTIONS

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

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: SEANEEN M WILSON
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

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 the last page, must be signed by an 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.
9. This report must cover a calander year, from Janauary 1 through December 31. Fiscal year reports will not be accepted.

Account Number	Operating Revenue	
470	Metered	22654 ⁻
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	22654⁻
	Operating Expenses	
610	Purchased Water	3492 ⁻
615	Purchased Power	3215 ⁻
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	187
630	Employee Labor	
640	Materials	
650	Contract Work	
	Water Testing	488
660	Transportation Expense	2178
664	Other Plant Maintenance	3012
670	Office Salaries	500
671	Management Salaries	1500
674	Employee Pensions and Benefits	1074
676	Uncollectables	2982
678	Office Service and Rentals	
681	Office Supplies and Expense	446
682	Professional Services	2243
684	Insurance	2667
688	Regulatory Expense	2313
689	General Expense	1696
	Subtotal	27993
403	Depreciation Expense	
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	4188
409	State Income Tax	
410	Federal Income Tax	
	Total Deductions	32181⁻
	Net Revenue	(9527)
	Rate Base	

	Average Plant	
	Average Depreciation Reserve	
	Net Plant	
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	Rate Base	
	ROR=Net Rev/Rate Base	

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

CALIF. HOT SPRINGS WATER & SEWER CO.

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

P.O. BOX 146 CAL. HOT SPRINGS CA. 93207

(Official mailing address)

CALIF. HOT SPRINGS, CA. TULARE CO.

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization _____ incorporated in the State of _____
 - (B) Names, titles and addresses of principal officers:

- 2 If unincorporated give the name and address of owner or of each partner:

RONALD W. GILBERT
P.O. BOX 146 CAL. HOT SPRINGS, CA. 93207
- 3 Name and telephone number of: (661) 548-6582
 - (A) One person listed above to receive correspondence: R.W. GILBERT
 - (B) Person responsible for operations and services: R.W. GILBERT
- 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) No
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?
- 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:

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
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>MONTHLY</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>BI-MONTHLY</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>DEC.</u>
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	

- 11 List Name, Grade, and License Number of all Licensed Operators:

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year.
Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

20 04

NAME OF UTILITY CA. HOT SPRINGS WATER & SEWER CO PHONE (661) 548-6582

PERSON RESPONSIBLE FOR THIS REPORT RW GILBERT

(Prepared from Information in the 20 04 Annual Report)

	1/1/	12/31/	Average
BALANCE SHEET DATA			
1 Intangible Plant			15152
2 Land and Land Rights			
3 Depreciable Plant			
4 Gross Plant in Service			62443
5 Less: Accumulated Depreciation			62443
6 Net Water Plant in Service			0
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies			
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			15152
CAPITALIZATION			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings			
18 Common Stock and Equity (Lines 14 through 17)			
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)			

(Revised 2/01)

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

2004
(continued)

NAME OF UTILITY _____ PHONE _____

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	_____
24 Fire Protection Revenue	_____
25 Irrigation Revenue	_____
26 Metered Water Revenue	<u>22654</u>
27 Total Operating Revenue	<u>22654</u>
28 <u>Operating Expenses</u>	<u>27993</u>
29 Depreciation Expense (Composite Rate _____)	_____
30 Amortization and Property Losses	_____
31 Property Taxes	<u>4188</u>
32 Taxes Other Than Income Taxes	_____
33 Total Operating Revenue Deduction Before Taxes	_____
34 California Corp. Franchise Tax	_____
35 Federal Corporate Income Tax	_____
36 Total Operating Revenue Deduction After Taxes	_____
37 Net Operating Income (Loss) - California Water Operations	_____
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	_____
39 Income Available for Fixed Charges	_____
40 Interest Expense	_____
41 Net Income (Loss) Before Dividends	_____
42 Preferred Stock Dividends	_____
43 Net Income (Loss) Available for Common Stock	<u>(9527)</u>

OTHER DATA

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

Active Service Connections (Exc. Fire Protect.) _____

	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections	<u>20</u>	<u>20</u>	<u>20</u>
49 Flat Rate Service Connections	_____	_____	_____
50 Total Active Service Connections	<u>20</u>	<u>20</u>	<u>20</u>

**CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent:

Name: _____ *PA* _____
Address: _____
Phone Number: _____
Date Hired: _____

2. Former Fiscal Agent:

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

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

\$ _____

4. Summary of the trust bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

5. Account information:

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

6. Plant amounts included in Schedule A, Account No. 101--Water Plant in Service which were funded using SDWBA funds: *None*

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 (DECEMBER 31, 20 04)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	62443	201	Common Stock (Corporations only)	
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	62443	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash		253	Other deferred credits	
9	141	Accounts receivable - customers		255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets		283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		Total Assets	0		Total Equity and Liabilities	

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
16	301	Intangible plant	15152				15152
17	303	Land					
18	304	Structures	2000				2000
19	307	Wells					
20	317	Other water source plant	9000				9000
21	311	Pumping equipment	5000				5000
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes	4000				4000
24	331	Water mains	24291				24291
25	333	Services and meter installations	3000				3000
26	334	Meters					
27	335	Hydrants					
28	339	Other equipment					
29	340	Office furniture and equipment					
30	341	Transportation equipment					
31		Total water plant in service	62443				62443

* 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	
32	Balance in reserves at beginning of year	0		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403			
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits			covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits			
45	Balance in reserve at end of year			
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2004)

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 - \$			
	4	- Preferred	Rate - \$			

SCHEDULE E - LONG TERM DEBT

	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
5								
6								
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9		Operating revenues	xxxxxxxxxx
10	460	Unmetered water revenue	
11	462	Fire protection revenue	
12	465	Irrigation revenue	
13	470	Metered water revenue	22 654
14	480	Other water revenue	
15		Total Operating Revenue	22 654
16		Operating revenue deductions	xxxxxxxxxx
17		Operating expenses	xxxxxxxxxx
18	610	Purchased water	3 4 9 2
19	615	Power	3 2 1 5
20	618	Other volume related expenses	6 7 5
21	630	Employee labor	
22	640	Materials	
23	650	Contract work	
24	660	Transportation expenses	2 1 7 8
25	664	Other plant maintenance expense	3 0 1 2
26	670	Office salaries	3 0 0
27	671	Management salaries	1 5 0 0
28	674	Employee pensions and benefits	1 0 7 4
29	676	Uncollectible accounts expense	2 9 8 2
30	678	Office services and rentals	
31	681	Office supplies and expense	4 4 6
32	682	Professional services	2 2 4 3
33	684	Insurance	2 6 6 7
34	688	Regulatory commission expense	2 3 1 3
35	689	General expenses	1 6 9 6
36		Total Operating Expenses	2 7 9 3
37	403	Depreciation expense	
38	407	SDWBA loan amortization expense	
39	408	Taxes other than income taxes	4 1 8 8
40	409	State corporate income tax expense	
41	410	Federal corporate income tax expense	
42		Total Operating Revenue Deductions	
43		Utility Operating Income	
44	421	Non-utility income	
45	426	Miscellaneous non-utility expense	
46	427	Interest expense	
47		Net Income	9 5 2 7

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

OTHER

Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted (Unit)
	Priority right		Diversions		
	Claim	Capacity	Max	Min	
Purchased water (unit)					Annual quantity
Supplier:					

SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS
(If figures are available) (specify unit)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business			
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			

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
48	630	Employee Labor				
49	670	Office salaries				
50	671	Management salaries				
51		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

SCHEDULE K - TOTAL METERS AND SERVICES (active and inactive)

Size	Meters	Services
5/8 x 3/4-in		
3/4-in	19	19
1-in		
-in		
1 1/4-in	1	1
Total	20	20

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1	Used, before repair...
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	19		19				19	
Industrial	1		1				1	
Other (specify)								
Subtotal								
Fire protection (Hydrants)								
Total	20		20				20	

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	Footage				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete	1	12500	Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
Other	1	2500	Plastic	5000				5000
			Other (specify)					
Total			Total	5000				5000

DECLARATION

(BEFORE SIGNING PLEASE CHECK TO SEE THAT ALL SCHEDULES HAVE BEEN COMPLETED)

I, the undersigned (officer, partner or owner) of CA. HOT SPRINGS WATER CO (Name of utility), under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period

From and including JAN 1, 2004, to and including DEC. 31, 2004

Signed Ronald W. Sills
 Title owner
 Date 3-22-04