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APR 21 2008  
UTILITY AUDIT, FINANCE  
COMPLIANCE BRANCH WATER

2007  
ANNUAL REPORT  
OF  
DISTRICT WATER SYSTEM OPERATIONS  
OF  
CALIFORNIA WATER SERVICE COMPANY  
1720 North First Street  
SAN JOSE, CALIFORNIA 95112-4598

Name of District: General Office Location: San Jose Santa Clara  
(TOWN OR CITY) (County)

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2007

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2008  
(FILE TWO COPIES IF THREE RECEIVED)



Report ID: CW\_W405-  
 Business Unit: CWSCO  
 Department: General Office

**ANALYSIS OF UTILITY PLANT**  
**December/31/2007**

Page No. 56  
 Run Date: 3/19/2008  
 Run Time: 3:26:39 PM

| ACCT                               | DESCRIPTION                    | BALANCE<br>BEG OF YR | PLANT ADD<br>DURING YR | PLANT RET<br>DURING YR | OTHER DEBITS<br>OR CREDITS | BALANCE<br>END OF YR |
|------------------------------------|--------------------------------|----------------------|------------------------|------------------------|----------------------------|----------------------|
| <b>I. INTANGIBLE PLANT</b>         |                                |                      |                        |                        |                            |                      |
| 301                                | ORGANIZATION                   | 10,848.59            |                        |                        |                            | 10,848.59            |
| 302                                | FRANCHISES AND CONSENTS        | 0.00                 |                        |                        |                            | 0.00                 |
| 303                                | OTHER INTANGIBLE PLANT         | 301,608.52           |                        |                        |                            | 301,608.52           |
|                                    | TOTAL INTANGIBLE PLANT         | 312,457.11           |                        |                        |                            | 312,457.11           |
| <b>II. LAND PLANT</b>              |                                |                      |                        |                        |                            |                      |
| 306                                | LAND AND LAND RIGHTS           | 415,573.84           |                        |                        |                            | 415,573.84           |
| <b>III. SOURCE OF SUPPLY PLANT</b> |                                |                      |                        |                        |                            |                      |
| 311                                | STRUCTURES AND IMPROVEMENTS    | 0.00                 |                        |                        |                            | 0.00                 |
| 312                                | COLLECTING AND IMPOUNDING RES  | 0.00                 |                        |                        |                            | 0.00                 |
| 313                                | LAKE, RIVER AND OTHER INTAKES  | 0.00                 |                        |                        |                            | 0.00                 |
| 315                                | WELLS                          | 0.00                 |                        |                        |                            | 0.00                 |
| 316                                | SUPPLY MAINS                   | 0.00                 |                        |                        |                            | 0.00                 |
|                                    | TOTAL SOURCE OF SUPPLY PLANT   | 0.00                 |                        |                        |                            | 0.00                 |
| <b>IV. PUMPING PLANT</b>           |                                |                      |                        |                        |                            |                      |
| 321                                | STRUCTURES AND IMPROVEMENTS    | 0.00                 |                        |                        |                            | 0.00                 |
| 3211                               | PAVEMENT                       | 0.00                 |                        |                        |                            | 0.00                 |
| 324                                | PUMPING EQUIPMENT              | 19,473.88            |                        |                        |                            | 19,473.88            |
| 325                                | OTHER PUMPING PLANT            | 1,049,108.92         |                        |                        |                            | 1,049,108.92         |
|                                    | TOTAL PUMPING PLANT            | 1,068,582.80         |                        |                        |                            | 1,068,582.80         |
| <b>V. WATER TREATMENT PLANT</b>    |                                |                      |                        |                        |                            |                      |
| 331                                | STRUCTURES AND IMPROVEMENTS    | 0.00                 |                        |                        |                            | 0.00                 |
| 332                                | WATER TREATMENT EQUIPMENT      | 18,830.59            |                        |                        |                            | 18,830.59            |
|                                    | TOTAL WATER TREATMENT PLANT    | 18,830.59            |                        |                        |                            | 18,830.59            |
| <b>VI. TRANS AND DIST PLANT</b>    |                                |                      |                        |                        |                            |                      |
| 341                                | STRUCTURES AND IMPROVEMENTS    | 0.00                 |                        |                        |                            | 0.00                 |
| 3411                               | PAVEMENT                       | 0.00                 |                        |                        |                            | 0.00                 |
| 342                                | RESERVOIRS AND TANKS           | 0.00                 |                        |                        |                            | 0.00                 |
| 3421                               | TANK PAINTING                  | 0.00                 |                        |                        |                            | 0.00                 |
| 343                                | TRANS AND DIST MAINS           | 0.00                 |                        |                        |                            | 0.00                 |
| 344                                | FIRE MAINS                     | 0.00                 |                        |                        |                            | 0.00                 |
| 345                                | SERVICES                       | 0.00                 |                        |                        |                            | 0.00                 |
| 346                                | METERS                         | 0.00                 |                        |                        |                            | 0.00                 |
| 348                                | HYDRANTS                       | 0.00                 |                        |                        |                            | 0.00                 |
|                                    | TOTAL TRANS AND DIST PLANT     | 0.00                 |                        |                        |                            | 0.00                 |
| <b>VII. GENERAL PLANT</b>          |                                |                      |                        |                        |                            |                      |
| 371                                | STRUCTURES AND IMPROVEMENTS    | 10,991,084.17        | 1,614,900.51           | -10,927.37             | 20,303.84                  | 12,615,361.15        |
| 3711                               | PAVEMENT                       | 574,415.39           |                        |                        |                            | 574,415.39           |
| 3720                               | OFFICE FURNITURE AND EQUIPMENT | 2,597,048.43         | 32,037.90              |                        | 166,532.62                 | 2,795,618.95         |
| 3721                               | OFFICE EQUIPMENT - COMPUTERS   | 12,069,387.76        | 283,456.70             | -76,632.26             | 269,535.39                 | 12,545,747.59        |
| 3722                               | COMPUTER SOFTWARE              | 15,184,947.68        | 978,644.35             | -14,780.62             | 118,690.98                 | 16,267,502.39        |
| 373                                | TRANSPORTATION EQUIPMENT       | 2,572,018.23         | 739,280.03             | -262,936.93            | -64,301.40                 | 2,984,059.93         |
| 374                                | STORES EQUIPMENT               | 12,455.26            | 25,316.04              |                        |                            | 37,771.30            |
| 375                                | LABORATORY EQUIPMENT           | 1,120,798.91         | 5,604.28               | -56,098.84             | 4,193.28                   | 1,074,497.63         |
| 376                                | COMMUNICATION EQUIPMENT        | 162,938.82           | 1,303.61               | -1,586.86              |                            | 162,655.57           |
| 377                                | POWER OPERATED EQUIPMENT       | 5,566.64             | 387,755.84             |                        |                            | 393,322.48           |
| 378                                | TOOLS, SHOP AND GARAGE EQUIP   | 1,102,017.27         | 27,177.63              | -27,584.31             | -17,431.79                 | 1,084,178.80         |
| 379                                | OTHER GENERAL PLANT            | 116,242.07           |                        |                        |                            | 116,242.07           |
|                                    | TOTAL OTHER GENERAL PLANT      | 46,508,920.63        | 4,095,476.89           | -450,547.19            | 497,522.92                 | 50,651,373.25        |
| <b>VIII. UNDISTRIBUTED ITEMS</b>   |                                |                      |                        |                        |                            |                      |
| 390                                | OTHER TANGIBLE PROPERTY        | 0.00                 |                        |                        |                            | 0.00                 |
| 391                                | UTILITY PLANT PURCHASED        | 513.00               |                        |                        |                            | 513.00               |
|                                    | DIST GO PLANT ALLOCATION       | -42,829,053.32       | -3,618,583.28          | 399,307.99             | -442,798.08                | -46,491,126.70       |
|                                    | OTHER GO PLANT ALLOCATION      | -5,495,824.65        | -476,893.61            | 51,239.21              | -54,724.84                 | -5,976,203.89        |
|                                    | TOTAL UNDISTRIBUTED ITEM       | -48,324,364.97       | -4,095,476.89          | 450,547.19             | -497,522.92                | -52,466,817.59       |
|                                    | TOTAL UTILITY PLANT IN SERVICE | 0.00                 |                        | 0.00                   |                            | 0.00                 |

## SCHEDULE A-3

GENERAL OFFICE

## Depreciation and Amortization Reserves

2006

| Line No. | Item<br>(a)  | Account 260                                       |                | Account 251                                  |            | Account 252  | Account 253              |
|----------|--|---|----------------|--|------------|--|--------------------------|
|          |  | Utility Plant<br>(b)                              |                | Limited Term<br>Utility<br>Investment<br>(c) |            | Utility Plant<br>Acquisition<br>Adjustments<br>(d) | Other<br>Property<br>(e) |
| 1        | Balance in reserves at beginning of year             |   |                | 81,069.75                                    |            | 0.00   | 0.00                     |
| 2        | Add: Credits to reserves during year                 |   |                |  |            |  |                          |
| 3        | a) Charged to account No. 503                        | (G)   | (3,688,820.00) |  |            |  |                          |
|          |  |   | 3,688,820.00   |  |            |  |                          |
| 4        | b) Charged to account No. 265                        |   | 0.00           |  |            |  |                          |
| 5        | c) Charged to clearing accounts                      | (G)   | (249,996.23)   |  |            |  |                          |
|          |  |   | 249,996.23     |  |            |  |                          |
| 6        | d) Salvage recovered                                 | (G)   | 0.00           |  |            |  |                          |
|          |  |   | 0.00           |  |            |  |                          |
| 7        | e) All other credits                                 | (G)   | 0.00           |  |            |  |                          |
|          |  |   | 0.00           | (B)  | 25,152.00  |  | 0.00                     |
| 8        | Total Credits  |   | 0.00           |  | 25,152.00  |  | 0.00                     |
| 9        | Deduct: Debits to reserves during year               |   |                |  |            |  |                          |
| 10       | a) Book cost of property retires                     | (G)   | 0.00           |  |            |  |                          |
|          |  |   | 0.00           |  |            |  |                          |
| 11       | b) Cost of removal                                   | (G)   | 0.00           |  |            |  |                          |
|          |  |   | 0.00           |  |            |  |                          |
| 12       | c) All other debits                                  | (G)   | 0.00           |  | (C)        | 0.00   |                          |
|          |  |   | 0.00           |  |            |  |                          |
| 13       | Total Debits   |   | 0.00           |  |            | 0.00   |                          |
| 14       | Balances in reserves at end of year                  |   | 0.00           |  | 106,221.75 | 0.00   | 0.00                     |
| 15       | State method of determining depreciation charges:    | Straight Line Remaining Life Method & Liberalized |                |  |            |  |                          |
| 16       | (A) Depreciation on intracompany transfers           | (B) Amortization charged to 504                   |                | (G) General Office Allocation                |            |  |                          |
| 17       | (C) Amortization charged to 537                      |   |                |  |            |  |                          |
| 18       | Report depreciation in Federal Tax Return for year:  | 1,588,644.00                                      |                |  |            |  |                          |
| 19       | Indicate nature of these items and accounts affected |   |                |  |            |  |                          |
| 20       |  | (See Schedule A-3a opposite)                      |                |  |            |  |                          |



General Office

SCHEDULE B-1

OPERATING REVENUES - CLASS A WATER

| LN NO | ACCT NO | ACCOUNT<br>(A)                            | AMOUNT<br>CURRENT YEAR<br>(B) | UTILITIES<br>AMOUNT<br>PRIOR YEAR<br>(C) | INCREASE<br>(DECREASE)<br>(D) |
|-------|---------|---|-------------------------------|--|-------------------------------|
| 22    |         | <b>I. Water Service Revenues</b>          |                               |  |                               |
| 23    | 601     | Metered Sales to General Customers        |                               |  |                               |
| 24    |         | 601.1 Commercial Sales                    | 0.00                          | 0.00                                     | 0.00                          |
| 25    |         | 601.2 Industrial Sales                    | 0.00                          | 0.00                                     | 0.00                          |
| 26    |         | 601.3 Sales to Public Authorities         | 0.00                          | 0.00                                     | 0.00                          |
| 27    |         | Sub-Total                                 | 0.00                          | 0.00                                     | 0.00                          |
| 28    | 602     | Unmetered Sales to General Customers      |                               |  |                               |
| 29    |         | 602.1 Commercial Sales                    | 0.00                          | 0.00                                     | 0.00                          |
| 31    |         | 602.3 Sales to Public Authorities         | 0.00                          | 0.00                                     | 0.00                          |
| 32    |         | Sub-Total                                 | 0.00                          | 0.00                                     | 0.00                          |
| 34    | 603     | 603.1 Metered Sales, Irrigation Customers | 0.00                          | 0.00                                     | 0.00                          |
|       |         | Sub-Total                                 | 0.00                          | 0.00                                     | 0.00                          |
| 37    | 604     | Private Fire Protection Service           | 0.00                          | 0.00                                     | 0.00                          |
| 38    | 605     | Public Fire Protection Service            | 0.00                          | 0.00                                     | 0.00                          |
| 39    | 606     | Sales To Other Water Utilities For Resale | 0.00                          | 0.00                                     | 0.00                          |
| 42    | 609     | Other Sales or Service                    | 0.00                          | 0.00                                     | 0.00                          |
| 43    |         | Sub-Total                                 | 0.00                          | 0.00                                     | 0.00                          |
| 44    |         | Total Water Service Revenue               | 0.00                          | 0.00                                     | 0.00                          |
| 46    |         | <b>II. Other Water Revenues</b>           |                               |  |                               |
| 47    | 611     | Miscellaneous Service Revenue             | 0.00                          | 0.00                                     | 0.00                          |
| 48    | 612     | Rent From Water Property                  | 0.00                          | 0.00                                     | 0.00                          |
| 50    | 614     | Other Water Revenues                      | 36.48                         | 0.00                                     | 36.48                         |
| 51    |         | Total Other Water Revenues                | 36.48                         | 0.00                                     | 36.48                         |
| 52    |         | Total Operating Revenues                  | 36.48                         | 0.00                                     | 36.48                         |

## 4 General Office

## SCHEDULE B-3

## OPERATING EXPENSE - CLASS A, B, AND C WATER UTILITIES

| LN<br>NO | ACCT<br>NO | ACCOUNT<br>(A)                         | AMOUNT<br>CURRENT YEAR<br>(B) | AMOUNT<br>PRIOR YEAR<br>(C) | INCREASE<br>(DECREASE)<br>(D) |
|----------|------------|--|-------------------------------|-----------------------------|-------------------------------|
| 1        |            | <b>I. Source of Supply Expense</b>     |                               |                             |                               |
| 2        |            | Operation                              |                               |                             |                               |
| 3        | 701        | Operation Supervision and Engineering  | 50,904.12                     | 58,279.29                   | (7,375.17)                    |
| 5        | 702        | Operation Labor and Expense            | 0.00                          | 0.00                        | 0.00                          |
| 6        | 703        | Miscellaneous Expense                  | (1,042.00)                    | (1,555.00)                  | 513.00                        |
| 7        | 704        | Purchased Water                        | 0.00                          | 0.00                        | 0.00                          |
| 8        |            | Maintenance                            |                               |                             |                               |
| 9        | 706        | Maint. Supervision and Engineering     | 17,931.70                     | 16,565.84                   | 1,365.86                      |
| 11       | 707        | Maint. Of Structures and Improvements  | 0.00                          | 0.00                        | 0.00                          |
| 12       | 708        | Maint. Of Reservoirs                   | 0.00                          | 0.00                        | 0.00                          |
| 14       | 709        | Maint. Of Lake, River other Intakes    | 0.00                          | 0.00                        | 0.00                          |
| 15       | 710        | Maint. Of Springs and Tunnels          | 0.00                          | 0.00                        | 0.00                          |
| 16       | 711        | Maint. Of Wells                        | 1,970.55                      | 29.55                       | 1,941.00                      |
| 17       | 712        | Maint. Of Supply Mains                 | 0.00                          | (669.60)                    | 669.60                        |
| 18       | 713        | Maint. Of Other Source of Supply Plant | 0.00                          | 0.00                        | 0.00                          |
| 19       |            | Total Source of Supply Expenses        | 69,764.37                     | 72,650.08                   | (2,885.71)                    |
| 20       |            | <b>II. Pumping Expenses</b>            |                               |                             |                               |
| 21       |            | Operation                              |                               |                             |                               |
| 22       | 721        | Operation Supervision and Engineering  | 149,435.83                    | 175,767.48                  | (26,331.65)                   |
| 24       | 722        | Power Production Labor and Expenses    | 0.00                          | 0.00                        | 0.00                          |
| 26       | 723        | Fuel For Power Production              | 0.00                          | 0.00                        | 0.00                          |
| 27       | 724        | Pumping Labor and Expenses             | 7,081.55                      | 8,131.27                    | (1,049.72)                    |
| 28       | 725        | Miscellaneous Expenses                 | (3,129.95)                    | (3,677.34)                  | 547.39                        |
| 29       | 726        | Fuel or Power Purchased For Pumping    | 0.00                          | 0.00                        | 0.00                          |
| 30       |            | Maintenance                            |                               |                             |                               |
| 31       | 729        | Maint. Supervision and Engineering     | 124,124.14                    | 136,725.85                  | (12,601.71)                   |
| 33       | 730        | Maint. Of Structures and Improvements  | 28.10                         | 0.00                        | 28.10                         |
| 34       | 731        | Maint. Of Power Production Equipment   | 0.00                          | 0.00                        | 0.00                          |
| 35       | 732        | Maint. Of Pumping Equipment            | 10,318.02                     | 12,925.35                   | (2,607.33)                    |
| 36       | 733        | Maint. Of Other Pumping Equipment      | 0.00                          | 0.00                        | 0.00                          |
| 37       |            | Total Pumping Expenses                 | 287,857.69                    | 329,872.61                  | (42,014.92)                   |
| 38       |            | <b>III. Water Treatment Expenses</b>   |                               |                             |                               |
| 39       |            | Operation                              |                               |                             |                               |
| 40       | 741        | Operation Supervision and Engineering  | 38,197.30                     | 52,739.83                   | (14,542.53)                   |
| 42       | 742        | Operation Labor and Expenses           | 1,631,764.66                  | 1,584,526.45                | 47,238.21                     |
| 43       | 743        | Miscellaneous Expenses                 | 4,669.18                      | (23,975.22)                 | 28,644.40                     |
| 44       | 744        | Chemicals and Filtering Materials      | 0.00                          | 0.00                        | 0.00                          |
| 45       | 745        | Water Trmt Allocation in/Out           | (33,395.10)                   | (33,408.97)                 | 0.00                          |
|          |            | Maintenance                            |                               |                             |                               |
| 46       | 746        | Maint. Supervision and Engineering     | 12,863.76                     | 12,185.41                   | 678.35                        |
| 48       | 747        | Maint. Of Structures and Improvements  | 0.00                          | 0.00                        | 0.00                          |
| 49       | 748        | Maint. Of Water Treatment Equipment    | 57.51                         | 0.00                        | 57.51                         |
| 50       |            | Total Water Treatment Expenses         | 1,654,157.31                  | 1,592,067.50                | 62,089.81                     |

General Office

SCHEDULE B-2

OPERATING EXPENSE - CLASS A, B, AND C WATER UTILITIES

| LN NO | ACCT NO | ACCOUNT (A)                                       | AMOUNT CURRENT YEAR (B) | AMOUNT PRIOR YEAR (C) | INCREASE (DECREASE) (D) |
|-------|---------|---|-------------------------|-----------------------|-------------------------|
| 1     |         | <b>IV. Transmission and Distribution Expenses</b> |                         |                       |                         |
| 2     |         | Operation   |                         |                       |                         |
| 3     | 751     | Operation Supervision and Engineering             | 89,059.58               | 82,172.68             | 6,886.90                |
| 5     | 752     | Storage Facilities Expenses                       | 1,788.18                | 912.36                | 875.82                  |
| 7     | 753     | Transmission and Distribution Lines               | 41,898.24               | 72,370.92             | (30,472.68)             |
| 8     | 754     | Meter Expenses                                    | 34,750.18               | 38,023.64             | (3,273.46)              |
| 9     | 755     | Customer Installation Expenses                    | 4,674.74                | 5,008.85              | (334.11)                |
| 10    | 756     | Miscellaneous                                     | 63,273.87               | 88,396.88             | (25,123.01)             |
| 11    |         | Maintenance                                       |                         |                       |                         |
| 12    | 758     | Maint. Supervision and Engineering                | 61,137.91               | 50,969.42             | 10,168.49               |
| 14    | 759     | Maint. Of Structures and Improvements             | 0.00                    | 0.00                  | 0.00                    |
| 15    | 760     | Maint. Of Reservoirs and Tanks                    | 16,393.83               | 6,358.87              | 10,034.96               |
| 16    | 761     | Maint. Of Transmission and Distribut. Mains       | 422,154.78              | 131,047.73            | 291,107.05              |
| 18    | 762     | Maint. Of Fire Mains                              | 0.00                    | 0.00                  | 0.00                    |
| 19    | 763     | Maint. Of Services                                | 384,253.20              | 125,032.18            | 259,221.02              |
| 21    | 764     | Maint. Of Meters                                  | 1,614.52                | 85.80                 | 1,528.72                |
| 22    | 765     | Maint. Of Hydrants                                | 206.90                  | (18.03)               | 224.93                  |
| 23    | 766     | Maint. Of Miscellaneous Plant                     |                         |                       | 0.00                    |
| 24    |         | Total Transmission and Distribution Exp.          | 1,121,205.93            | 600,361.30            | 520,844.63              |
| 25    |         | <b>V. Customer Account Expenses</b>               |                         |                       |                         |
| 26    |         | Operation   |                         |                       |                         |
| 27    | 771     | Supervision                                       | 69,082.06               | 55,194.98             | 13,887.08               |
| 29    | 772     | Meter Reading Expenses                            | 0.00                    | 443.79                | (443.79)                |
| 30    | 773     | Customer Records and Collection Expenses          | 2,085,402.15            | 2,395,773.57          | (310,371.42)            |
| 32    | 774     | Miscellaneous Customer Accounting Expenses        | 261,632.21              | 251,940.46            | 9,691.75                |
| 33    | 775     | Uncollectible Accounts                            | 0.00                    | 0.00                  | 0.00                    |
| 34    | 776     | Cust Acct Allocation In/Out                       | (1,212,544.94)          | (1,166,895.19)        | (45,649.75)             |
|       |         | Total Customer Accounts Expense                   | 1,203,571.48            | 1,536,457.61          | (332,886.13)            |
| 35    |         | <b>VI. Sales Expenses</b>                         |                         |                       |                         |
| 36    |         | Operation   |                         |                       |                         |
| 37    | 781     | Supervision                                       |                         |                       |                         |
| 39    | 782     | Demonstration and Selling Expenses                |                         |                       |                         |
| 40    | 783     | Advertising Expenses                              |                         |                       |                         |
| 41    | 784     | Miscellaneous Sales Expenses                      |                         |                       |                         |
| 42    | 785     | Merchandising, Jobbing and Contract Work          |                         |                       |                         |
| 43    |         | Total Sales Expenses                              | 0.00                    | 0.00                  | 0.00                    |

6 *General Office***SCHEDULE B-2**

## OPERATING EXPENSE - CLASS A, B, AND C WATER

## UTILITIES (CONCLUDED)

| LN<br>NO | ACCT<br>NO | ACCOUNT<br>(A)                                  | AMOUNT<br>CURRENT YEAR<br>(B) | AMOUNT<br>PRIOR YEAR<br>(C) | INCREASE<br>(DECREASE)<br>(D) |
|----------|------------|---|-------------------------------|-----------------------------|-------------------------------|
| 1        |            | <b>VII. Administrative And General Expenses</b> |                               |                             |                               |
| 2        |            | Operation                                       |                               |                             |                               |
| 3        | 791        | Administrative and General Salaries             | 7,327,829.51                  | 7,396,307.51                | (68,478.00)                   |
| 5        | 792        | Office Supplies and Other Expenses              | 3,491,468.26                  | 2,957,162.00                | 534,306.26                    |
| 6        | 793        | Property Insurance                              | 156,857.55                    | 178,327.00                  | (21,469.45)                   |
| 7        | 794        | Injuries and Damages                            | 1,703,160.01                  | 1,772,367.70                | (69,207.69)                   |
| 8        | 795        | Employees Pensions and Benefits                 | 19,455,276.00                 | 19,845,412.00               | (390,136.00)                  |
| 9        | 796        | Franchise Requirements                          | 4,107.00                      | 3,605.00                    | 502.00                        |
| 11       | 797        | Regulatory Commission Expenses                  | 317,944.09                    | 389,811.45                  | (71,867.36)                   |
| 12       | 798        | Outside Service Employed                        | 3,565,609.48                  | 2,936,876.88                | 628,732.60                    |
| 14       | 799        | Miscellaneous General Expense                   | 1,655,312.00                  | 1,857,473.00                | (202,161.00)                  |
| 15       |            | Maintenance                                     |                               |                             |                               |
| 16       | 805        | Maintenance of General Plant                    | 315,362.00                    | 315,425.00                  | (63.00)                       |
| 17       |            | Total Administrative and General Expenses       | 37,992,925.90                 | 37,652,767.54               | 340,158.36                    |
| 18       |            | <b>VIII. Miscellaneous</b>                      |                               |                             |                               |
| 19       | 811        | Rents   | 94,428.00                     | 66,805.00                   | 27,623.00                     |
| 20       | 812        | Admin. Exp. Transferred                         | (26,295.00)                   | (26,575.00)                 | 280.00                        |
| 20       |            | Admin. Exp. Transferred - General Office        | (42,397,617.00)               | (41,824,404.00)             | (573,213.00)                  |
| 21       | 813        | Duplicate Charges - CR                          | 0.00                          | 0.00                        | 0.00                          |
| 22       |            | Total Miscellaneous                             | (42,329,484.00)               | (41,784,174.00)             | (545,310.00)                  |
| 23       |            | Total Operating Expenses                        | (1.32)                        | 2.64                        | (3.96)                        |



**GENERAL OFFICE**

**SCHEDULE B-4**

**6.1**

| LN<br>NO | KIND OF TAX<br>(A)            | TAXES CHARGED DURING YEAR                    |                               |                                     |                                | CAPITALIZED<br>(F)  |
|----------|-------------------------------|--|-------------------------------|-------------------------------------|--------------------------------|---------------------|
|          |                               | TOTAL TAXES<br>CHARGES<br>DURING YEAR<br>(B) | WATER<br>(ACCOUNT 507)<br>(C) | NONUTILITY<br>(ACCOUNT 5270)<br>(D) | OTHER<br>(ACCOUNT 5371)<br>(E) |                     |
| 24       | Real and Property Taxes       | 287,558.93                                   | 278,558.93                    | 9,000.00                            | 0.00                           |                     |
| 25       | State corporate Franchise Tax | 0.00   | 0.00                          |                                     |                                |                     |
| 26       | State Unemployment Tax        | 54,283.17                                    | 48,376.09                     |                                     |                                | 5,907.08            |
| 27       | Other State and Local Taxes   | 48,689.12                                    | 48,689.12                     |                                     |                                |                     |
| 28       | Federal Unemployment Tax      | 14,475.52                                    | 12,900.56                     |                                     |                                | 1,574.96            |
| 29       | FICA                          | 1,448,820.98                                 | 1,245,398.32                  |                                     |                                | 203,422.66          |
| 30       | Other Federal Tax             |  |                               |                                     |                                |                     |
| 31       | Federal Income Tax            | 0.00   | 0.00                          |                                     |                                |                     |
| 32       |                               |  |                               |                                     |                                |                     |
| 33       |                               |  |                               |                                     |                                |                     |
| 34       |                               |  |                               |                                     |                                |                     |
| 35       | General Office Allocation     | 0.00   | 0.00                          |                                     |                                |                     |
| 36       |                               |  |                               |                                     |                                |                     |
| 37       |                               |  |                               |                                     |                                |                     |
| 38       |                               |  |                               |                                     |                                |                     |
| 39       |                               | <u>1,853,827.72</u>                          | <u>1,633,923.02</u>           | <u>9,000.00</u>                     | <u>0.00</u>                    | <u>(210,904.70)</u> |

**SCHEDULE D-1  
Sources of Supply and Water Developed**

| Line No. | STREAMS                     |                             |                             | FLOW IN ... (Unit) <sup>2</sup> |                             |  |  | Annual Quantities Diverted (Unit) <sup>2</sup> | Remarks |
|----------|-----------------------------|-----------------------------|-----------------------------|---------------------------------|-----------------------------|--|--|--|---------|
|          | Diverted Into <sup>1</sup>  | From Stream or Creek (Name) | Location of Diversion Point | Priority Right                  |                             | Diversions                                 |  |  |         |
|          |                             |                             |                             | Claim                           | Capacity                    | Max  | Min  |  |         |
| 1        |                             |                             |                             |                                 |                             |  |  |  |         |
| 2        |                             |                             |                             |                                 |                             |  |  |  |         |
| 3        |                             |                             |                             |                                 |                             |  |  |  |         |
| 4        |                             |                             |                             |                                 |                             |  |  |  |         |
| 5        |                             |                             |                             |                                 |                             |  |  |  |         |
| 6        |                             |                             |                             |                                 |                             |  |  |  |         |
| 7        |                             |                             |                             |                                 |                             |  |  |  |         |
| 8        | WELLS                       |                             |                             |                                 |                             | Pumping Capacity (Unit) <sup>2</sup>       | Annual Quantities Pumped (Unit) <sup>2</sup> | Remarks  |         |
| 9        | At Plant (Name or Number)   | Location                    | Number                      | Diversions                      | <sup>3</sup> Depth in Water |  |  |  |         |
| 10       |                             |                             |                             |                                 |                             |  |  |  |         |
| 11       |                             |                             |                             |                                 |                             |  |  |  |         |
| 12       |                             |                             |                             |                                 |                             |  |  |  |         |
| 13       |                             |                             |                             |                                 |                             |  |  |  |         |
| 14       |                             |                             |                             |                                 |                             |  |  |  |         |
| 15       |                             |                             |                             |                                 |                             |  |  |  |         |
| 16       |                             |                             |                             |                                 |                             |  |  |  |         |
| 17       | TUNNELS AND SPRINGS         |                             |                             | FLOW IN (Unit) <sup>2</sup>     |                             | Annual Quantities Used (Unit) <sup>2</sup> | Remarks                                      |  |         |
| 18       | Designation                 | Location                    | Number                      | Maximum                         | Minimum                     |  |  |  |         |
| 19       |                             |                             |                             |                                 |                             |  |  |  |         |
| 20       |                             |                             |                             |                                 |                             |  |  |  |         |
| 21       |                             |                             |                             |                                 |                             |  |  |  |         |
| 22       |                             |                             |                             |                                 |                             |  |  |  |         |
| 23       |                             |                             |                             |                                 |                             |  |  |  |         |
| 24       |                             |                             |                             |                                 |                             |  |  |  |         |
| 25       |                             |                             |                             |                                 |                             |  |  |  |         |
| 26       |                             |                             |                             |                                 |                             |  |  |  |         |
| 27       |                             |                             |                             |                                 |                             |  |  |  |         |
| 28       |                             |                             |                             |                                 |                             |  |  |  |         |
| 29       | Purchased from              |                             |                             |                                 |                             |  |  |  |         |
| 30       | Annual quantities purchased |                             |                             |                                 |                             | (Unit chosen) <sup>2</sup>                 |  |  |         |
| 31       |                             |                             |                             |                                 |                             |  |  |  |         |
| 32       |                             |                             |                             |                                 |                             |  |  |  |         |

<sup>1</sup> State ditch, pipe line, reservoir, etc., with name, if any.  
<sup>2</sup> The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallons 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.  
<sup>3</sup> Average depth to water surface below ground surface.

**SCHEDULE D-2  
Description of Storage Facilities**

| Line No. | Type                       | Number | Combined Capacity (Gallons or Acre Feet) | Remarks |
|----------|----------------------------|--------|--|---------|
| 33       | A. Collecting Reservoirs   |        |  |         |
| 34       | Concrete                   |        |  |         |
| 35       | Earth                      |        |  |         |
| 36       | Wood                       |        |  |         |
| 37       | B. Distribution Reservoirs |        |  |         |
| 38       | Concrete                   |        |  |         |
| 39       | Earth                      |        |  |         |
| 40       | Wood                       |        |  |         |
| 41       | C. Tanks                   |        |  |         |
| 42       | Concrete                   |        |  |         |
| 43       | Earth                      |        |  |         |
| 44       | Wood                       |        |  |         |
| 45       | Steel                      |        |  |         |
|          | Total                      |        |  |         |

SCHEDULE D-3

Description of Transmission and Distribution Facilities

A. Length of Ditches, Flumes and Lined Conduits in Miles for Various Capacities

Capacities in Cubic Feet Per Second or Miner's Inches (state which)

| Line No. |               | 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        | Totals        |        |         |          |          |          |          |          |           |

NOT APPLICABLE

A. Length of Ditches, Flumes and Lined Conduits in Miles for Various Capacities (Concluded)

Capacities in Cubic Feet Per Second or Miner's Inches (state which)

| Line No. |               | 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       | Totals        |            |            |            |            |            |             |           |                   |

NOT APPLICABLE

B. Footages of Pipe by Inside Diameters in Inches - Not including Service Piping

| Line No. |                          | 1 | 1 1/2 | 2 | 2 1/2 | 3 | 4 | 5 | 6 |
|----------|--------------------------|---|-------|---|-------|---|---|---|---|
| 11       | Cast Iron                |   |       |   |       |   |   |   |   |
| 12       | Cast Iron (cement lined) |   |       |   |       |   |   |   |   |
| 13       | Concrete                 |   |       |   |       |   |   |   |   |
| 14       | Copper                   |   |       |   |       |   |   |   |   |
| 15       | Riveted Steel            |   |       |   |       |   |   |   |   |
| 16       | Standard Screw           |   |       |   |       |   |   |   |   |
| 17       | Screw or Welded Casing   |   |       |   |       |   |   |   |   |
| 18       | Cement - Asbestos        |   |       |   |       |   |   |   |   |
| 19       | Welded Steel             |   |       |   |       |   |   |   |   |
| 20       | Wood                     |   |       |   |       |   |   |   |   |
| 21       | Other (specify)          |   |       |   |       |   |   |   |   |
| 22       | Totals                   |   |       |   |       |   |   |   |   |

NOT APPLICABLE

B. Footages of Pipe by Inside Diameters in Inches - Not including Service Piping - (Concluded)

| Line No. |                          | 8 | 10 | 12 | 14 | 16 | 20 | Other Sizes (Specify Sizes) | 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       | Totals                   |   |    |    |    |    |    |                             |                 |

NOT APPLICABLE

**SCHEDULE D-4      General Office**  
**Number of Active Service Connections**

|                                 | Metered-              | Dec. 31 | Flat Rate- | Dec. 31 |
|---------------------------------|-----------------------|---------|------------|---------|
|                                 | Prior                 | Current | Prior      | Current |
|                                 | Year                  | Year    | Year       | Year    |
| Commercial (including domestic) |                       |         |            |         |
| Industrial                      |                       |         |            |         |
| Public Authorities              |                       |         |            |         |
| Irrigation                      |                       |         |            |         |
| Other (specify)                 |                       |         |            |         |
|                                 | <b>NOT APPLICABLE</b> |         |            |         |
| Sub-Total                       | 0                     | 0       | 0          | 0       |
| Private Fire Connections        |                       |         |            |         |
| Public Fire Connections         |                       |         |            |         |
| Totals                          | 0                     | 0       | 0          | 0       |

NOT APPLICABLE

**GENERAL OFFICE**

**SCHEDULE D-5**

**Number of Meters and Services  
on Pipe Systems at End of Year**

| Size        | Meters | Services |
|-------------|--------|----------|
| 5/8 -in.    |        |          |
| 3/4 - in.   |        |          |
| 1 - in.     |        |          |
| 1 1/4 - in. |        |          |
| 1 1/2 - in. |        |          |
| 2 - in.     |        |          |
| 2 1/2 - in. |        |          |
| 3 - in.     |        |          |
| 4 - in.     |        |          |
| 5 - in.     |        |          |
| 6 - in.     |        |          |
| 8 - in.     |        |          |
| 10 - in.    |        |          |
| 12 - in.    |        |          |
| 16 - in.    |        |          |
| 18 - in.    |        |          |
| other       |        |          |
| MISC        |        |          |
| Totals      | 0      | 0        |

**SCHEDULE D-6**

**Meter Testing Data**

**NOT APPLICABLE**

**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 \_\_\_\_\_

General Office **NOT APPLICABLE** SCHEDULE D-7  
 Water Delivered to Metered Customers by Months and Years in 100,000 CuFt (Units Chosen)

| Classification<br>Of Service | During Current Year |     |     |     |     |     |     | Sub-total | Total | Total<br>Prior Yr |     |
|------------------------------|---------------------|-----|-----|-----|-----|-----|-----|-----------|-------|-------------------|-----|
|                              | Jan                 | Feb | Mar | Apr | May | Jun | Jul |           |       |                   | Aug |
| Commercial                   |                     |     |     |     |     |     |     | 0         |       |                   |     |
| Industrial                   |                     |     |     |     |     |     |     | 0         |       |                   |     |
| Public Authority             |                     |     |     |     |     |     |     | 0         |       |                   |     |
| Irrigation                   |                     |     |     |     |     |     |     |           |       |                   |     |
| Other (specify)              |                     |     |     |     |     |     |     | 0         |       |                   |     |
| Reclaimed Water              |                     |     |     |     |     |     |     | 0         |       |                   |     |
| <b>Total</b>                 | 0                   | 0   | 0   | 0   | 0   | 0   | 0   | 0         | 0     | 0                 |     |

  

| Classification<br>Of Service | During Current Year |     |     |     |     |     |     |     |     |     |     |     | Sub-total | Total | Total<br>Prior Yr |   |
|------------------------------|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----------|-------|-------------------|---|
|                              | Jul                 | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |           |       |                   |   |
| Commercial                   |                     |     |     |     |     |     |     |     |     |     |     |     |           | 0     |                   |   |
| Industrial                   |                     |     |     |     |     |     |     |     |     |     |     |     |           | 0     |                   |   |
| Public Authority             |                     |     |     |     |     |     |     |     |     |     |     |     |           | 0     |                   |   |
| Irrigation                   |                     |     |     |     |     |     |     |     |     |     |     |     |           |       |                   |   |
| Other (specify)              |                     |     |     |     |     |     |     |     |     |     |     |     |           | 0     |                   |   |
| Reclaimed Water              |                     |     |     |     |     |     |     |     |     |     |     |     |           | 0     |                   |   |
| <b>Total</b>                 | 0                   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0         | 0     | 0                 | 0 |

Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet. Total Acres Irrigated: Total Population Served: 0

## END OF YEAR BALANCES IN SELECTED ACCOUNTS

Indicate the end of year balances shown in the district's accounting records for the following accounts:

|  |     |               |
|--|-----|---------------|
| <b>131. Materials and supplies on hand</b>       | (G) | -120,039.36   |
|  |     | 120,039.36    |
| <b>100.3. Construction work in progress</b>      | (G) | -8,803,750.36 |
|  |     | 8,803,750.36  |
| <b>241. Advances for construction</b>            |     | 0.00          |
| <b>265. Contributions in aid of construction</b> |     | 0.00          |

(G) General Office Allocation

### SIGNATURE

District Management

Name of District Manager           Peter Nelson          

Address           1720 North First St., San Jose, CA 95112-4598           Telephone           408-367-8200          

This report sets forth book or allocated figures and other data pertaining to the district for the period from January 1, 2007 to December 31, 2007.

          General Office          

  
Signature

          Controller          

Title

**MAR 22 2008**

Date

# INDEX

|   | <i>PAGE</i> |
|---|-------------|
| Acres Irrigated                             | 9           |
| Advances for construction                   | 10          |
| Balances in selected balance sheet accounts | 10          |
| Construction work in progress               | 10          |
| Contributions in aid of construction        | 10          |
| Depreciation and amortization reserves      | 2           |
| Materials and supplies on hand              | 10          |
| Meters and services on pipe system          | 9           |
| Operating expenses                          | 4-6         |
| Operating revenues                          | 2           |
| Population served                           | 9           |
| Service connections, active                 | 9           |
| Signature                                   | 10          |
| Source of supply and water developed        | 7           |
| Storage facilities                          | 7           |
| Taxes                                       | 6           |
| Transmission and distribution facilities    | 8           |
| Utility plant in service                    | 1           |