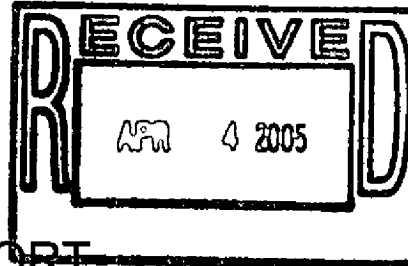


47

Received _____
Examined _____

CLASS D  
WATER UTILITIES

U# \_\_\_\_\_



2004  
ANNUAL REPORT  
OF

Loren M. Berry dba

---

Cazadero Water Company

---

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

P.O. Box 423

---

Cazadero, CA 95421

---

(OFFICIAL MAILING ADDRESS)

ZIP

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  
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 calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

**Independent Accountants' Report**

To Mr. Loren Berry  
Cazadero Water Company  
Cazadero, California

We have compiled the balance sheet of **Cazadero Water Company** (a sole proprietorship) as of December 31, 2004, and the related statement of operations for the year then ended, and related supporting schedules, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form prescribed by the Public Utilities Commission of the State of California information that is the representation of the owner. We have not audited or reviewed the financial statements and supporting schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Utilities Commission of the State of California, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.



Santa Rosa, California  
March 29, 2005

*Local partnership. Global solutions.*

3550 Round Barn Blvd., Suite 100, Santa Rosa, CA 95403  
(707) 542-3343 • Fax (707) 527-5608

Offices in Santa Rosa, Petaluma and Napa [www.pblip.com](http://www.pblip.com)

<b>Account Number</b>	<b>Operating Revenue</b>	
470	Metered	6,862
460	Unmetered	742
465	Irrigation	
462-480	Private Fire Protection/Other	23,662
	<b>Total Revenue</b>	<b>31,266</b>
	<b>Operating Expenses</b>	
610	Purchased Water	
615	Purchased Power	3,810
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	8,132
640	Materials	1,942
650	Contract Work	
	Water Testing	
660	Transportation Expense	87
664	Other Plant Maintenance	540
670	Office Salaries	6,500
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	3,000
681	Office Supplies and Expense	325
682	Professional Services	2,551
684	Insurance	703
688	Regulatory Expense	
689	General Expense	5,411
	<b>Subtotal</b>	<b>33,001</b>
403	Depreciation Expense	806
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	6,025
409	State Income Tax	
410	Federal Income Tax	
	<b>Total Deductions</b>	<b>39,832</b>
	<b>Net Revenue</b>	<b>(8,566)</b>
	<b>Rate Base</b>	
	Average Plant	88,718
	Average Depreciation Reserve	40,059
	Net Plant	48,659
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	5,500
	Plus: Material & Supplies	1,092
	<b>Rate Base</b>	<b>55,251</b>
	<b>ROR=Net Rev/Rate Base</b>	<b>(0.16)</b>

# CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

**Loren M. Berry dba Cazadero Water Company**

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

**P.O. Box 423, Cazadero, CA 95421**

(Official mailing address)

**Cazadero, Sonoma County**

(Service area-town and county)

## GENERAL INFORMATION

RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES

- 1 If a corporation show:
  - (A) Date of organization       N/A       incorporated in the State of       N/A
  - (B) Names, titles and addresses of principal officers:
  
- 2 If unincorporated give the name and address of owner or of each partner:  
**Loren M. Berry, P.O. Box 106, Cazadero, CA 95421**
  
- 3 Name and telephone number of:
  - (A) One person listed above to receive correspondence: **Loren M. Berry      707-632-5225**
  - (B) Person responsible for operations and services: **Loren M. Berry      707-632-5225**
  
- 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? **N/A**
  
- 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: **NONE**

### 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
	<b>X</b>	<b>Aug-97</b>
<b>X</b>		<b>Monthly</b>
<b>X</b>		<b>2/3/1999</b>
<b>N/A</b>		
<b>N/A</b>		

- 11 List Name, Grade, and License Number of all Licensed Operators:  
**Loren M. Berry T1 #22085 Expires 5/1/2007**  
**Loren M. Berry D1 #20335 Expires 1/1/2007**

**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  
2004

NAME OF UTILITY Cazadero Water Company

PHONE 707-632-5225

PERSON RESPONSIBLE FOR THIS REPORT Loren M. Berry

(Prepared from Information in the 2004 Annual Report)

	1/1/2004	12/31/2004	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant			
2 Land and Land Rights	675	675	675
3 Depreciable Plant	86,567	89,519	88,043
4 Gross Plant in Service	87,242	90,194	88,718
5 Less: Accumulated Depreciation	39,656	40,462	40,059
6 Net Water Plant in Service	47,586	49,732	48,659
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies	1,092	1,092	1,092
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	48,678	50,824	49,751
<b>CAPITALIZATION</b>			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)	77,669	68,702	73,186
16 Paid-in Capital			
17 Retained Earnings			
18 Common Stock and Equity (Lines 14 through 17)	77,669	68,702	73,186
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	77,669	68,702	73,186

(Revised 2/01)

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

2004

(continued)

NAME OF UTILITY Cazadero Water Company PHONE 707-632-5225

<b>INCOME STATEMENT</b>		Annual Amount
23	Unmetered Water Revenue	<u>742</u>
24	Fire Protection Revenue	<u>          </u>
25	Irrigation Revenue	<u>          </u>
26	Metered Water Revenue	<u>6,862</u>
27	Total Operating Revenue	<u>7,604</u>
28	<u>Operating Expenses</u>	<u>33,001</u>
29	Depreciation Expense (Composite Rate 0.9%)	<u>806</u>
30	Amortization and Property Losses	<u>          </u>
31	Property Taxes	<u>4,827</u>
32	Taxes Other Than Income Taxes	<u>1,198</u>
33	Total Operating Revenue Deduction Before Taxes	<u>39,832</u>
34	California Corp. Franchise Tax	<u>          </u>
35	Federal Corporate Income Tax	<u>          </u>
36	Total Operating Revenue Deduction After Taxes	<u>          </u>
37	Net Operating Income (Loss) - California Water Operations	<u>(32,228)</u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>23,760</u>
39	Income Available for Fixed Charges	<u>          </u>
40	Interest Expense	<u>          </u>
41	Net Income (Loss) Before Dividends	<u>(8,468)</u>
42	Preferred Stock Dividends	<u>          </u>
43	Net Income (Loss) Available for Common Stock	<u>(8,468)</u>

**OTHER DATA**

44	Refunds of Advances for Construction	<u>          </u>
45	Total Payroll Charged to Operating Expenses	<u>14,632</u>
46	Purchased Water	<u>          </u>
47	Power	<u>3,810</u>

<u>Active Service Connections</u>		<u>(Exc. Fire Protect.)</u>		Annual Average
	Jan. 1	Dec. 31		
48	Metered Service Connections	148	148	148
49	Flat Rate Service Connections	4	4	4
50	Total Active Service Connections	152	152	152



**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: \_\_\_\_\_ **NONE** \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

2. Former Fiscal Agent:

Name: \_\_\_\_\_ **NONE** \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

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

**NONE**

4. Summary of the trust bank account activities showing:

Balance at beginning of year	<u><b>NONE</b></u>
Deposits during the year	<u><b>NONE</b></u>
Withdrawals made for loan payments	<u><b>NONE</b></u>
Other withdrawals from this account	<u><b>NONE</b></u>
Balance at end of year	<u><b>NONE</b></u>

5. Account information:

Bank Name: \_\_\_\_\_ **NONE** \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Date Opened: \_\_\_\_\_

6. Plant amounts included in Schedule A, Account No. 101--Water Plant in Service which were funded using SDWBA funds:

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	<b>Not Applicable</b>					
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, 2004)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	90,194	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	68,702
5	108	Accumulated depreciation of water plant	(40,462)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	1,479
7	124	Other investments		252	Advances for construction	
8	131	Cash	18,136	253	Other deferred credits	
9	141	Accounts receivable - customers	1,221	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	1,092		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		<b>Total Assets</b>	<b>70,181</b>		<b>Total Equity and Liabilities</b>	<b>70,181</b>

**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					-
17	303	Land	675				675
18	304	Structures					-
19	307	Wells					-
20	317	Other water source plant	16,042				16,042
21	311	Pumping equipment	14,896				14,896
22	320	Water treatment plant					-
23	330	Reservoirs tanks and sandpipes	22,411				22,411
24	331	Water mains	16,176	2,952			19,128
25	333	Services and meter installations	5,887				5,887
26	334	Meters	2,907				2,907
27	335	Hydrants	3,951				3,951
28	339	Other equipment	215				215
29	340	Office furniture and equipment	3,943				3,943
30	341	Transportation equipment	139				139
31		<b>Total water plant in service</b>	<b>87,242</b>				<b>90,194</b>

\* 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	39,656		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	806		0.9% per PUC letter 03/06/1987
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	40,462		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

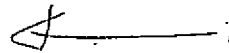
Service Charge -

FLAT 742

METER WATER RESERVE -

A/R ⇒

G.



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

Line				
1	Common - (Shares	, \$	par)	N/A
2	Preferred - (Shares	, \$	par)	N/A
3	Dividends - Common	Rate - \$		N/A
4	- Preferred	Rate - \$		N/A

**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	Not Applicable							
7								
8	Totals							

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	XXXXXXXXXX
10	460 Unmetered water revenue	742
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	6,862
14	480 Other water revenue	23,662
15	Total Operating Revenue	31,266
16	Operating revenue deductions	XXXXXXXXXX
17	Operating expenses	XXXXXXXXXX
18	610 Purchased water	
19	615 Power	3,810
20	618 Other volume related expenses	
21	630 Employee labor	8,632
22	640 Materials	1,942
23	650 Contract work	
24	660 Transportation expenses	87
25	664 Other plant maintenance expense	540
26	670 Office salaries	6,000
27	671 Management salaries	
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	3,000
31	681 Office supplies and expense	325
32	682 Professional services	2,551
33	684 Insurance	703
34	688 Regulatory commission expense	
35	689 General expenses	5,411
36	Total Operating Expenses	33,001
37	403 Depreciation expense	806
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	6,025
40	409 State corporate income tax expense	
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	39,832
43	Utility Operating Income	(8,566)
44	421 Non-utility income	98
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	(8,468)

**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
Orchard	1	12	30	40	Unknown
Orchard	1	8	30	40	Unknown
Hillside	1	8	70	10	Unknown
Hillside	1	8	150	10	Unknown

**OTHER**

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

**SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS**

(If figures are available) (specify unit - cubic feet)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business			1,062,199
Industrial			
Public authorities			70,500
Irrigation			
Other (specify)			
Total			1,132,699

**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	2	8,132		8,132
49	670	Office salaries	1	6,500		6,500
50	671	Management salaries				
51		Total	3	14,632		14,632

7 other? size —

---

DON'T CHARGE 2 churches  
1 Fire Department  
1 PARK

---

4 GRANITE vs concrete

ONE or FOUR

---

Auto Parts in  
Retail Store

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year	Not Applicable
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	149	149
1-in	4	4
2-in	1	1
2-in Flat none		4
<b>Total</b>	<b>154</b>	<b>158</b>

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year	N/A
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	141	3	144	6		6	147	3
Industrial		1	1					1
Other (specify)			7				7	
Subtotal	148	4	152	6		6	154	4
Fire protection (Hydrants)								
<b>Total</b>	<b>148</b>	<b>4</b>	<b>152</b>	<b>6</b>		<b>6</b>	<b>154</b>	<b>4</b>

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	3	160,000	Cast Iron					
Earth			Welded steel					
Wood			Standard screw	32,008				32,008
Steel			Cement-asbestos					
Other			Plastic					
			Other (specify)					
<b>Total</b>	<b>3</b>	<b>160,000</b>	<b>Total</b>	<b>32,008</b>				<b>32,008</b>

**DECLARATION**

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

I, the undersigned owner of **Cazadero Water Company**, 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 January 1, 2004, to and including December 31, 2004.

Signed Larry M. Berry  
 Title Pres.  
 Date 3-28-08