

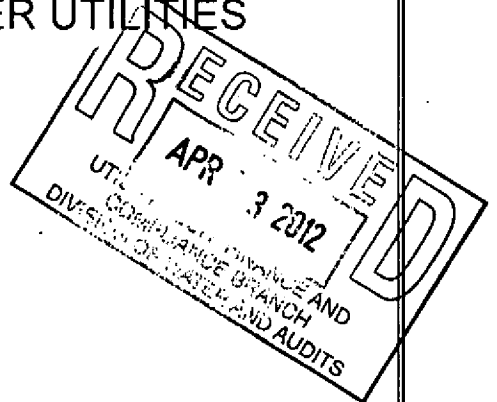
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CLASS D
 WATER UTILITIES

U# _____



~~2011~~
 ANNUAL REPORT
 OF

~~Cazadero Water Company, Inc.~~

 (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, 2011

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2012

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INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN APRIL 2, 2012**, with:

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

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts flow to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2011, through December 31, 2011. Fiscal year reports will not be accepted.

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

Cazadero Water Company, Inc.

(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)

Telephone Number: 707-632-5225 Fax Number: 707-632-5225

Email Address: admin@cazaderowater.com

GENERAL INFORMATION

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

1. If a corporation show:
(A) Date of organization 3/12/2008 incorporated in the State of CA

(B) Names, titles and addresses of principal officers:

James M. Berry, President, Treasurer, and Director, P.O. Box 94 Cazadero, CA 95421

Loren M. Berry Vice President, Secretary, and Director, PO Box 106, Cazadero, CA 95421

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

N/A

3. Name, title, and telephone number of:

(A) One person listed above to receive correspondence: James M. Berry, President, 707-652-5280

(B) Person responsible for operations and services: James M. Berry, President, 707-652-5280

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? 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:

PUBLIC HEALTH STATUS

6. Has state or local health department inspection been made during the year?

7. Are routine laboratory tests of water being made?

8. Has state health department water supply permit been obtained? (Indicate date)

9. If no permit has been obtained, state whether application has been made and when.

10. Show expiration date if state permit is temporary.

Yes	No	Latest Date
	X	
X		Monthly
X		3/18/2010
N/A		
N/A		

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

James M. Berry D1 #30582 Expires 6/1/2012

James M. Berry T1 #28152 Expires 1/1/2013

Excess Capacity and Non-Tariffed Services

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

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed goods and services provided in calendar year 2011:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/ Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/ Services (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/ Services (by Account)	Regulated Asset Account Number

Not Applicable

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

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

1. Current Fiscal Agent:

Name: None
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

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

\$ None

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

3. Summary of the bank account activities showing:

Balance at beginning of year	\$	<u>NONE</u>
Deposits during the year		<u>NONE</u>
Interest earned for calendar year		<u>NONE</u>
Withdrawals from this account		<u>NONE</u>
Balance at end of year		<u>NONE</u>

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

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

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

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		Not Applicable			
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

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

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	184,955	201	Common Stock (Corporations only)	28,000
2	101.1	SDWA Plant	-	211	Other paid-in capital (Corporations only)	62,200
3	103	Water plant held for future use	-	215	Retained earnings	31,682
4	104	Water plant purchased or sold	-	218	Proprietary capital	-
5	105	Water plant construction work in progress	-	224	Long term debt	-
6	108	Accumulated depreciation of water plant	(48,354)		Current Liabilities	35,467
7	114	Water plant acquisition adjustments	-	252	Advances for construction	-
8	124	Other investments	-	253	Other deferred credits	-
9	131	Cash	-	255	Accumulated deferred investment tax credits	-
10	141	Accounts receivable - customers	17,638	282	Accumulated deferred income taxes - ACRS	-
11	142	Receivables from associated companies	1,953		depreciation	-
12	151	Materials and supplies	1,157	283	Accumulated deferred income taxes - other	-
13	174	Other current assets	-	271	Contributions in aid of construction	-
14	180	Deferred charges	-	272	Accumulated amortization of contributions	-
15		Total Assets	157,349		Total Equity and Liabilities	157,349

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
1	301	Intangible plant	-	-	-	-	-
2	303	Land	2,675	-	-	-	2,675
3	304	Structures	17,651	-	-	-	17,651
4	307	Wells	-	-	-	-	-
5	317	Other water source plant	22,867	4,069	-	-	26,936
6	311	Pumping equipment	20,274	-	-	-	20,274
7	320	Water treatment plant	-	-	-	-	-
8	330	Reservoirs tanks and sandpipes	50,486	23,334	-	-	73,820
9	331	Water mains	19,128	-	-	-	19,128
10	333	Services and meter installations	5,887	-	-	-	5,887
11	334	Meters	5,325	446	-	-	5,771
12	335	Hydrants	3,951	-	-	-	3,951
13	339	Other equipment	1,260	-	-	-	1,260
14	340	Office furniture and equipment	7,463	-	-	-	7,463
15	341	Transportation equipment	139	-	-	-	139
16		Total water plant in service	157,106	27,849	-	-	184,955

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
1	Balance in reserves at beginning of year	46,689		A. Method used to compute depreciation
2	Add: Credits to reserves during year	-		expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272	-		0.9% per PUC letter 03/06/1987
4	(b) Charged to Account No. 403	1,665		
5	(c) Charged to Account No. 407	-		B. Amount of depreciation expense claimed
6	(d) Salvage recovered	-		or to be claimed on utility property in
7	(e) All other credits	-		your federal income tax return for the year
8	Total credits	-		covered by this report \$ 4,427
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	-		
11	(b) Cost of removal	-		C. State method used to compute tax
12	(c) All other debits	-		depreciation.
13	Total debits	-		200% declining balance
14	Balance in reserve at end of year	48,354		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

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

Line				
1	Common - (Shares	7,500	\$ 140 par)	200 List persons owning more than 5% of outstanding stock
2	Preferred - (Shares	,	\$ par)	and number of shares owned by each:
3	Dividends - Common	Rate - \$		James M. Berry - 100 shares common stock
4	- Preferred	Rate - \$		Loren M. Berry - 100 shares common stock

SCHEDULE E - LONG-TERM DEBTS

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
1					Not Applicable			
2								
3								
4	Total							

SCHEDULE F - INCOME STATEMENT

1	Acct.	Operating revenues	
2	460	Unmetered water revenue	
3	462	Fire protection revenue	
4	465	Irrigation revenue	
5	470	Metered water revenue	18,725
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue	57,963
8		Total Revenue Received	76,688
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	
11		Total Operating Revenue	76,688
12		Operating expenses	
13	610	Purchased water	
14	615	Purchased power	2,959
15	618	Other volume related expenses	
16	630	Employee labor	18,317
17	640	Materials	583
18	650	Contract work	
19	660	Transportation expenses	2,550
20	664	Other plant maintenance expense	3,572
21	670	Office salaries	4,536
22	671	Management salaries	
23	674	Employee pensions and benefits	
24	676	Uncollectible accounts expense	
25	678	Office services and rentals	
26	681	Office supplies and expense	3,445
27	682	Professional services	17,194
28	684	Insurance	3,620
29	688	Regulatory commission expense	
30	689	General expenses	12,355
31		Total Operating Expenses	69,131
32	403	Depreciation expense	1,665
33	407	SDWBA loan amortization expense	
34	408	Taxes other than income taxes	1,098
35	409	State income tax expense	800
36	410	Federal income tax expense	
37		Total Operating Revenue Deductions	3,563
38		Utility Operating Income	3,994
39	421	Non-utility income	-
40	426	Miscellaneous non-utility expense	-
41	427	Interest expense	-
42		Net Income	3,994

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 Priority Right		(Unit) Diversions		Annual Quantities Diverted Unit
	Claim	Capacity	Max	Min	
Not Applicable					
Purchased water (unit) Supplier:				Annual Quantity	

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential			900,948 cu ft
Commercial			24,991 cu ft
Industrial			-
Fire Protection			13,067 cu ft
Irrigation			-
Other (specify)			80,509 cu ft
Total			1,019,515 cu ft

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION

Line	Acct	Account	Number at End of Year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
1	630	Employee Labor	1	18,317	-	18,317
2	670	Office salaries	2	4,536	-	4,536
3	671	Management salaries	-	-	-	-
4		Total	3	22,853		22,853

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	N/A
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	152	152
1-in	1	1
-in	1	1
-in	-	4
Total	154	158

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair	N/A
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	143	1	144	6	-	6	149	1
Industrial/Commercial	-	1	1	-	-	-	-	1
Irrigation	-	-	-	-	-	-	-	-
Fire Protection (public)	2	-	2	-	-	-	2	-
Fire Protection (private)	-	-	-	-	-	-	-	-
Other (specify) School camp	5	-	5	-	-	-	5	-
Storage tanks church								
Total	150	2	152	6		6	156	2

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	2" and	2 1/4 to	4"	Other sizes (specify)	Totals
				under	3 1/4			
Concrete	3	160,000	Cast Iron	-	-	-		-
Earth	-	-	Welded steel	-	-	-		-
Wood	-	-	Standard screw	32,008	-	-		32,008
Steel	-	-	Cement-asbestos	-	-	-		-
Other	1	5,400	Plastic	-	-	-		-
			Other (specify)	-	-	-		-
Total	4	165,400	Total	32,008				32,008

FACILITY FEES DATA

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

1. Trust Account Information: Does not apply

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

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

A. Commercial

NAME	AMOUNT
	\$
	\$
	\$
	\$

B. Residential

NAME	AMOUNT
	\$
	\$
	\$
	\$

3. Summary of the bank account activities showing:

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

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

DECLARATION

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

I, the undersigned James M. Berry
 Officer, Partner, or Owner (Please Print)
 of Cazadero Water Company, Inc.
 Name of Utility

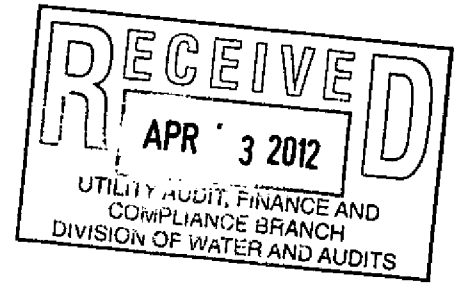
under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named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

President
 Title (Please Print)

James Berry
 Signature

707-632-5225
 Telephone Number

3/27/12
 Date



Independent Accountants' Compilation Report

To the Board of Directors
Cazadero Water Company, Inc.
Cazadero, California

We have compiled the balance sheet of Cazadero Water Company, Inc., (a California S Corporation) as of December 31, 2011, the related statement of income for the year then ended, and related supporting schedules included in the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America and the requirements of the Public Utilities Commission of the State of California.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Public Utilities Commission of the State of California and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

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.

Pisenti & Brinker LLP

Santa Rosa, California
March 26, 2012

Local partnership. Global solutions.