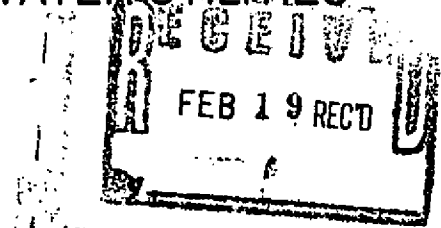


74

Received	_____
Examined	_____

CLASS D
WATER UTILITIES



U# _____

2002
ANNUAL REPORT
OF

Cobb Mountain Water Company

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

P.O. Box 2

Cobb CA

95426

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2002

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2003
(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.

**Summary of Earnings
Test Year 2002**

Account Number	Operating Revenue	13,769
470	Metered	0
460	Unmetered	0
465	Irrigation	421
462-480	Private Fire Protection	14,191
	Total Revenue	
	Operating Expenses	
610	Purchased Water	0
615	Purchased Power	774
	Pump Taxes	0
	Purchased Chemicals	
618	Other Vol. Related exp.	44
630	Employee Labor	0
640	Materials	80
650	Contract Work	0
	Water Testing	
660	Transportation Expense	526
664	Other Plant Maintenance	0
670	Office Salaries	0
671	Management Salaries	4,500
674	Employee Pensions and Benefits	0
676	Uncollectables	0
678	Office Service and Rentals	0
681	Office Supplies and Expense	631
682	Professional Services	724
684	Insurance	1,050
688	Regulatory Expense	0
689	General Expense	855
	Subtotal	9,184
403	Depreciation Expense	724
	Ad Valorem Taxes	0
	Payroll taxes	0
408	Taxes other than income	202
409	State Income Tax	380 *
410	Federal Income Tax	612 *
	Total Deductions	6,918
	Net Revenue	3,089
	Rate Base	
	Average Plant	42,618
	Average Depreciation Reserve	22,244
	Net Plant	20,374
	Less: Advances	0
	Less: Contributions	0
	Plus: Construction Work in Progress	4,291
	Plus: Working Cash	0
	Plus: Material & Supplies	1,117
	Rate Base	25,782
	ROR=Net Rev/Rate Base	11.98%

* Federal & State taxes paid by owner. Used 1570 for federal tax and 9.3% for state tax. That was the tax rates that were approved and applied for its last rate increase in 1994.

Paid by owner
Paid by owner

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

Cobb Mountain Water Company
(Name under which corporation, partnership or individual is doing business)

P.O. Box 2 Cobb CA 95426
(Official mailing address)

Gordon Springs Subdivisions, Lake County
(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

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

- 2 If unincorporated give the name and address of owner or of each partner: V.B. Anderson
P.O. Box 2 Cobb CA 95426

- 3 Name and telephone number of:
(A) One person listed above to receive correspondence: V. B. Anderson
(B) Person responsible for operations and services: (707) 928 5232

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

- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more *NONE* 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	6/19/01
X		Monthly
X		7/13/01
	N/A	
	N/A	

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.

Account 331	Mains	
W.O. # 76	Valve Box	\$ 45.00
Account 333	Services	
W.O. # 75	Install Service	\$ 74.09
W.O. # 77	Replace Service	\$ 41.59
Account 334	Meters	
W.O. # 75	Install Meter	\$ 75.91
		<hr/>
	Addition Totals	\$ 236.59

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

2002

NAME OF UTILITY Cobb Mountain Water Company PHONE (707) 928 5232

PERSON RESPONSIBLE FOR THIS REPORT Vincent Bruce Anderson

(Prepared from information in the 2002 Annual Report)

	11/1/02	12/31/02	Average
BALANCE SHEET DATA			
1 Intangible Plant	244	244	244
2 Land and Land Rights	2,833	2,833	2,833
3 Depreciable Plant	39,422	39,659	39,540
4 Gross Plant in Service	42,499	42,736	42,618
5 Less: Accumulated Depreciation	21,882	22,606	22,244
6 Net Water Plant in Service	20,617	20,130	20,374
7 Water Plant Held for Future Use	0	0	0
8 Construction Work in Progress	4,222	4,291	4,256
9 Materials and Supplies	1,000	1,117	1,059
10 Less: Advances for Construction	(0)	(0)	(0)
11 Less: Contribution in Aid of Construction	(0)	(0)	(0)
12 Less: Accumulated Deferred Income and Investment Tax Credits	(0)	(0)	(0)
13 Net Plant Investment	25,839	25,538	25,689
CAPITALIZATION			
14 Common Stock	0	0	0
15 Proprietary Capital (Individual or Partnership)	31,934	31,890	31,912
16 Paid-in Capital	3,386	3,053	3,220
17 Retained Earnings	3,342	4,081	3,712
18 Common Stock and Equity (Lines 14 through 17)	31,890	32,918	32,404
19 Preferred Stock	0	0	0
20 Long-Term Debt	0	0	0
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	31,890	32,918	32,404

(Revised 2/01)

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

2002
(continued)

NAME OF UTILITY Cobb Mountain Water Co PHONE (707) 928 5232

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	421
24	Fire Protection Revenue	0
25	Irrigation Revenue	0
26	Metered Water Revenue	13,769
27	Total Operating Revenue	14,190
28	<u>Operating Expenses</u>	<u>9,184</u>
29	Depreciation Expense (Composite Rate <u>370</u>)	724
30	Amortization and Property Losses	0
31	Property Taxes	202
32	Taxes Other Than Income Taxes	0
33	Total Operating Revenue Deduction Before Taxes	<u>926</u>
34	California Corp. Franchise Tax	0
35	Federal Corporate Income Tax	0
36	Total Operating Revenue Deduction After Taxes	0
37	Net Operating Income (Loss) - California Water Operations	0
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	0
39	Income Available for Fixed Charges	0
40	Interest Expense	0
41	Net Income (Loss) Before Dividends	0
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	0

OTHER DATA

44	Refunds of Advances for Construction	0
45	Total Payroll Charged to Operating Expenses	4,500
46	Purchased Water	0
47	Power	774

<u>Active Service Connections</u>		(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections		61	62	62
49	Flat Rate Service Connections		0	0	0
50	Total Active Service Connections		61	62	62

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

2. Former Fiscal Agent:

N/A

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

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

\$ _____

4. Summary of the trust bank account activities showing:

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

5. Account information:

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

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

N/A

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

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2002)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	42,735.78	201	Common Stock (Corporations only)	0
2	103	Water plant held for future use	0	211	Other paid-in capital (Corporations only)	0
3	104	Water plant purchased or sold	0	215	Retained earnings	4,080.77
4	105	Water plant construction work in progress	4,290.53	218	Proprietary capital	28,036.64
5	108	Accumulated depreciation of water plant	22,606.12	224	Long term debt	0
6	114	Water plant acquisition adjustments	0		Current Liabilities	612.13
7	124	Other investments	0	252	Advances for construction	0
8	131	Cash	7,731.72	253	Other deferred credits	0
9	141	Accounts receivable - customers	256.71	255	Accumulated deferred investment tax credits	0
10	142	Receivables from associated companies	0	282	Accumulated deferred income taxes - Acrs	0
11	151	Materials and supplies	1,116.78		depreciation	
12	174	Other current assets	0	283	Accumulated deferred income taxes - other	0
13	180	Deferred charges	0	271	Contributions in aid of construction	0
14				272	Accumulated amortization of contributions	0
15		Total Assets	33,529.54		Total Equity and Liabilities	33,529.54

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	243.81				243.81
17	303	Land	2,832.71				2,832.71
18	304	Structures	4,672.66				4,672.66
19	307	Wells	0				0
20	317	Other water source plant	1,029.00				1,029.00
21	311	Pumping equipment	4,413.32				4,413.32
22	320	Water treatment plant	410.91				410.91
23	330	Reservoirs tanks and sandpipes	5,416.30				5,416.30
24	331	Water mains	12,993.95	45.00			13,038.95
25	333	Services and meter installations	1,921.98	115.68			2,037.66
26	334	Meters	3,817.00	75.91			3,892.91
27	335	Hydrants	0				0
28	339	Other equipment	4,317.16				4,317.16
29	340	Office furniture and equipment	430.39				430.39
30	341	Transportation equipment	0				0
31		Total water plant in service	42,499.19	236.59	0	0	42,735.78

* 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	21,882.21		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate. 3%
34	(a) Charged to Account No. 403	723.91		
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	22,606.12		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			42,617.49 Average Plant 2002
45	Balance in reserve at end of year	22,606.12		- 3,076.52 Accounts #301 & #303
46	(1) Explanation of all other credits			- 15,410.77 x 3% = \$ 723.91
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2002)

Line				
1	Common - (Shares	\$	par)	List persons owning more than 5% of outstanding stock and number of shares owned by each:
2	Preferred - (Shares	\$	par)	
3	Dividends - Common	Rate - \$	None	
4	- Preferred	Rate - \$		

SCHEDULE E - LONG TERM DEBT

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5								
6					None			
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9		Operating revenues	xxxxxxxxxx
10	460	Unmetered water revenue	0
11	462	Fire protection revenue	0
12	465	Irrigation revenue	0
13	470	Metered water revenue	13,769.42
14	480	Other water revenue	421.29
15		Total Operating Revenue	14,190.71
16		Operating revenue deductions	xxxxxxxxxx
17		Operating expenses	xxxxxxxxxx
18	610	Purchased water	0
19	615	Power	774.00
20	618	Other volume related expenses	43.87
21	630	Employee labor	0
22	640	Materials	79.75
23	650	Contract work	0
24	660	Transportation expenses	525.90
25	664	Other plant maintenance expense	0
26	670	Office salaries	0
27	671	Management salaries	4,500.00
28	674	Employee pensions and benefits	0
29	676	Uncollectible accounts expense	0
30	678	Office services and rentals	0
31	681	Office supplies and expense	630.99
32	682	Professional services	724.50
33	684	Insurance	1,050.00
34	688	Regulatory commission expense	0
35	689	General expenses	855.00
36		Total Operating Expenses	9,184.01
37	403	Depreciation expense	723.91
38	407	SDWBA loan amortization expense	0
39	408	Taxes other than income taxes	202.02
40	409	State corporate income tax expense	0
41	410	Federal corporate income tax expense	0
42		Total Operating Revenue Deductions	925.93
43		Utility Operating Income	4,080.77
44	421	Non-utility income	0
45	426	Miscellaneous non-utility expense	0
46	427	Interest expense	0
47		Net Income	4,080.77

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
			None		

OTHER

Streams or springs location of diversion point	Flow in		(Unit) Diversions		Annual quantities diverted (Unit)
	Priority right		Max	Min	
Beatty Spring					5.68 A.F.
Purchased water (unit)					Annual quantity
Supplier:	N/A				

SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business	Aug	Jan	247,516 C.F.
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			247,516 C.F.

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	0	0	0	0
49	670	Office salaries	0	0	0	0
50	671	Management salaries	1	4,500.00	0	4,500.00
51		Total	1	4,500.00	0	4,500.00

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

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

Size	Meters	Services
5/8 x 3/4-in	62	62
3/4-in		
1-in		
-in		
-in		
Total	62	62

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1 Used, before repair...	0
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	60		60	1		1	61	
Industrial								
Other (specify)	1		1				1	
<i>Community Center</i>								
Subtotal	61		61	1		1	62	
Fire protection (Hydrants)								
Total	61		61			1	62	

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

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	2" and under			Other sizes (specify)	Totals
				2 1/4 to 3 1/4	4"			
Concrete	1	6,170	Cast Iron					
Earth			Welded steel			2,313	2,313	
Wood			Standard screw	4,427			4,427	
Steel	3	25,500	Cement-asbestos					
Other			Plastic			216	216	
<i>Steel out of service</i>	1	9,300	Other (specify)			65	65	
			<i>Tar Coated</i>					
Total		40,970	Total	4,427		2,594	7,021	

DECLARATION

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

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

From and including January 1, 2002, to and including December 31, 2002

Vincent Bruce Anderson
Signed

Owner
Title

2/16/2003
Date