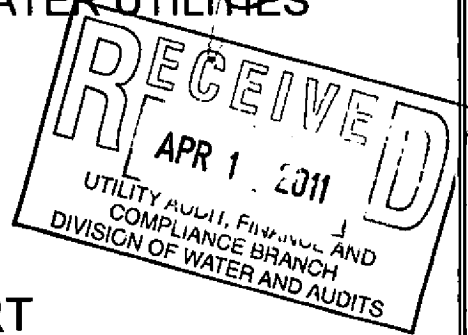


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Received _____
 Examined _____

**CLASS B and C
 WATER UTILITIES**



U# _____

**(2010)
 ANNUAL REPORT
 OF**

Del Oro Water Co., Inc.

Ferndale District

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

Drawer 5172, Chico California 95927

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
 PUBLIC UTILITIES COMMISSION
 STATE OF CALIFORNIA
 FOR THE YEAR ENDED DECEMBER 31, 2010**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2011

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GENERAL INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2011**, 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 Page 34, must be signed by an authorized 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. 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, 2010, through December 31, 2010. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR ALL WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

GENERAL INFORMATION

**Del Oro Water Co., Inc.
Ferndale District**

- 1. Name under which utility is doing business: _____
- 2. Official mailing address:
Drawer 5172, Chico, California 95927
- 3. Name and title of person to whom correspondence should be addressed:
Janice Hanna Telephone: 530-894-1100 Ext 103
- 4. Address where accounting records are maintained:
426 Broadway, Chico California 95927
- 5. Service Area (Refer to district reports if applicable) Ferndale, Humbolt County
- 6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
Name: Paul Matulich Telephone: 530-894-1100
Address: Drawer 5172, Chico CA 95927

- 7. OWNERSHIP. Check and fill in appropriate line:

<input type="checkbox"/>	Individual (name of owner)	_____
<input type="checkbox"/>	Partnership (name of partner)	_____
<input type="checkbox"/>	Partnership (name of partner)	_____
<input type="checkbox"/>	Partnership (name of partner)	_____
<input checked="" type="checkbox"/>	Corporation (corporate name)	<u>Del Oro Water Co., Inc.</u>
	Organized under laws of (state)	<u>California</u> Date: <u>1963</u>

Principal Officers:
Name: Robert S Fortinto Title: Chief Executive Officer - Director
Name: Bryan Fortino Title: Chief Financial Officer - Director
Name: Paul Matulich Title: Asst Secretary - Director
Name: Janice Hanna Title: Secretary

- 8. Names of associated companies: _____
- 9. Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:
Name: _____ Date: _____
Name: _____ Date: _____
Name: _____ Date: _____
Name: _____ Date: _____

10. Use the space below for supplementary information or explanations concerning this report:

- 11. List Name, Grade, and License Number of all Licensed Operators:
Matt Vann T2-31285
Brian Gregg T2-28770 & D2-33367

BALANCE SHEET AND CAPITALIZATION DATA

Calendar Year 2010

NAME OF UTILITY Del Oro Water Co., Inc. - Ferndale District Telephone: 530-894-1100

PERSON RESPONSIBLE FOR THIS REPORT Janice Hanna

	<u>1/1/2010</u>	<u>12/31/2010</u>	<u>Average</u>
BALANCE SHEET DATA			
1 Intangible Plant	588	588	588
2 Land and Land Rights	12355	12355	12355
3 Depreciable Plant	1491829	1492780	1492305
4 Gross Plant in Service	1504772	1505723	1505248
5 Less: Accumulated Depreciation	(564890)	(624599)	(594745)
6 Net Water Plant in Service	939882	881124	910503
7 Water Plant Held for Future Use			
8 Construction Work in Progress	111842		111842
9 Materials and Supplies	1790	1790	1790
10 Less: Advances for Construction	(67346)	(65543)	(66445)
11 Less: Contribution in Aid of Construction	(16086)	(16086)	(16086)
12 Less: Accumulated Deferred Income and Investment Tax Credits		()	
13 Net Plant Investment	970082	801285	3357355
CAPITALIZATION			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	751960	751960	751960
17 Retained Earnings	322466	364287	343377
18 Common Stock and Equity (Lines 14 through 17)	1074426	1116247	1095337
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	1074426	1116247	1095337

INCOME STATEMENT AND OTHER DATA

Calendar Year 2010

NAME OF UTILITY Del Oro Water Co., Ferndale District

Telephone: 530-894-1100

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	214729
24 Fire Protection Revenue	
25 Irrigation Revenue	
26 Metered Water Revenue	242575
27 Total Operating Revenue	457304
28 <u>Operating Expenses</u>	294964
29 Depreciation Expense (Composite Rate: _____)	44740
30 Amortization and Property Losses	
31 Property Taxes	17496
32 Taxes Other Than Income Taxes	8550
33 Total Operating Revenue Deduction Before Taxes	365750
34 California Corp. Franchise Tax	
35 Federal Corporate Income Tax	
36 Total Operating Revenue Deduction After Taxes	365750
37 Net Operating Income (Loss) - California Water Operations	91554
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	316
39 Income Available for Fixed Charges	
40 Interest Expense	
41 Net Income (Loss) Before Dividends	91870
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	91870

OTHER DATA

44 Refunds of Advances for Construction	
45 Total Payroll Charged to Operating Expenses	175358
46 Purchased Water	
47 Power	6562

<u>Active Service Connections</u>	(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		760	763	761.5
49 Flat Rate Service Connections				
50 Total Active Service Connections		760	763	761.5

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 companies 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 good and service provided in 2010:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row Number	Description of Non-Tariffed Goods/Services	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
	NONE										

**SCHEDULE A
COMPARATIVE BALANCE SHEET
Assets and Other Debits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
UTILITY PLANT					
1	101	Water plant in service	A-1	1611808	1504773
2	103	Water plant held for future use	A-1 & A-1b		
3	104	Water plant purchased or sold	A-1		
4	105	Water plant construction work in progress	A-1		111842
5		Total utility plant		1611808	1616615
6	106	Accumulated depreciation of water plant	A-3	(624599)	(579859)
7	114	Water plant acquisition adjustments	A-1		
8		Total amortization and adjustments		(624599)	(579859)
9		Net utility plant		987209	1036756
INVESTMENTS					
10	121	Non-utility property and other assets			
11	122	Accumulated depreciation of non-utility property	A-3		
12		Net non-utility property			
13	123	Investments in associated companies			
14	124	Other investments			
15		Total investments		0	0
CURRENT AND ACCRUED ASSETS					
16	131	Cash		186050	120911
17	132	Special accounts			
18	141	Accounts receivable - customers		20936	37731
19	142	Receivables from associated companies			1169
20	143	Accumulated provision for uncollectible accounts			
21	151	Materials and supplies		1790	1790
22	174	Other current assets		1906	1983
23		Total current and accrued assets		210682	163584
24	180	Deferred charges	A-5	130111	1787
25		Total assets and deferred charges		1328002	1202127

**SCHEDULE A
COMPARATIVE BALANCE SHEET
Liabilities and Other Credits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
		CORPORATE CAPITAL AND SURPLUS			
1	201	Common stock	A-6		
2	204	Preferred stock	A-6		
3	211	Other paid-in capital	A-8	751960	751960
4	215	Retained earnings	A-9	364287	324106
5		Total corporate capital and retained earnings		1116247	1076066
		PROPRIETARY CAPITAL			
6	218	Proprietary capital	A-10		
7	218.1	Proprietary drawings			
8		Total proprietary capital		0	0
		LONG TERM DEBT			
9	224	Long term debt	A-11		
10	225	Advances from associated companies	A-12		
		CURRENT AND ACCRUED LIABILITIES			
11	231	Accounts payable		5163	16723
12	232	Short term notes payable			
13	233	Customer deposits		3462	1791
14	235	Payables to associated companies	A-13	25227	4721
15	236	Accrued taxes			
16	237	Accrued interest			
17	241	Other current liabilities	A-14	6276	1538
18		Total current and accrued liabilities		40128	24773
		DEFERRED CREDITS			
19	252	Advances for construction	A-15	65543	67346
20	253	Other credits			8244
21	255	Accumulated deferred investment tax credits	A-16		
22	282	Accumulated deferred income taxes - ACRS depreciation	A-16		
23	283	Accumulated deferred income taxes - other	A-16		25699
24		Total deferred credits		65543	101289
		CONTRIBUTIONS IN AID OF CONSTRUCTION			
25	271	Contributions in aid of construction	A-17	16086	16086
26	272	Accumulated amortization of contributions		-16086	-16086
27		Net contributions in aid of construction		0	0
28		Total liabilities and other credits		1221918	1202128

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water plant in service	1504774	951			1505725
2	103	Water plant held for future use	0				
3	104	Water plant purchased or sold	0				
4	105	Construction work in progress - water plant	111842			-111842	0
5	114	Water plant acquisition adjustments	0				
6		Total utility plant	1617567	0	0	-111842	1505725

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

**SCHEDULE A-1a
Account No. 101 - Water Plant in Service**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
		NON-DEPRECIABLE PLANT					
1	301	Intangible plant	588				588
2	303	Land	12355				12355
3		Total non-depreciable plant	12943	0	0	0	12943
		DEPRECIABLE PLANT					
4	304	Structures	3909				3909
5	307	Wells	20120				20120
6	317	Other water source plant	0				0
7	311	Pumping equipment	106083				106083
8	320	Water treatment plant	456235				562318
9	330	Reservoirs, tanks and sandpipes	74012				74012
10	331	Water mains	595743				595743
11	333	Services and meter installations	155184				155184
12	334	Meters	32047	659			32706
13	335	Hydrants	7743				7743
14	339	Other equipment	17236	292			17528
15	340	Office furniture and equipment	2068				2068
16	341	Transportation equipment	21451				21451
17		Total depreciable plant	1491831	951	0	0	1598865
18		Total water plant in service	1504774	951	0	0	1611808

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

SCHEDULE A-1b
Account No. 103 - Water Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property will be placed in Service (c)	Balance End of Year (d)
1				
2	None			
3				
4				
5				
6				
7				
8				
9				
10	Total			

SCHEDULE A-2
Account No. 121 - Non-utility Property and Other Assets

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1		
2	None	
3		
4		
5		
6		
7		
8		
9		
10	Total	

SCHEDULE A-3
Account Nos. 108 and 122 - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 106 Water Plant (b)	Account 106.1 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	579859		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	44740		
4	(b) Charged to Account No 272	0		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits	44740	0	0
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			
12	(c) All other debits (Footnote 3)			
13	Total debits	0	0	0
14	Balance in reserve at end of year	624599	0	0
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			%
16				
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19				
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS:			
24				
25				
26				
27				
28				
29	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION			
30	(a) Straight line	[]		
31	(b) Liberalized	[]		
32	(1) Sum of the years digits	[]		
33	(2) Double declining balance	[]		
34	(3) Other	[]		
35	(c) Both straight line and liberalized	[]		

SCHEDULE A-3a
Account No. 108 - Analysis of Entries in Depreciation Reserve

Line No.	Acct No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excluding Costs of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures	1543				1543
2	307	Wells	8096				8096
3	317	Other water source plant	0				0
4	311	Pumping equipment	40120				40120
5	320	Water treatment plant	175384				175384
6	330	Reservoirs, tanks and sandpipes	29977				29977
7	331	Water mains	225290				225290
8	333	Services and meter installations	58752				58752
9	334	Meters	10044				10044
10	335	Hydrants	2071				2071
11	339	Other equipment	5484				5484
12	340	Office furniture and equipment	1514				1514
13	341	Transportation equipment	21583				21583
14		Total	579858	0	0	0	579858

SCHEDULE A-4
Account No. 174 - Other Current Assets

Line No.	Item (a)	Amount (b)
1	Prepaid Insurance	1906
2		
3		
4		
5		
6		
7		
8		
9		
10		

SCHEDULE A-5

Accounts Nos. 180 and 253 - Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of Long-Term Debts (a)	Principal Amount of Securities to Which Discount and Expense, or Premium Minus Expense, Relates (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1	Other/ Rate Cash					1787		-894	893
2	Deferred Legal/Engineering					0	129218		129218
3									0
4									0
5									0
6									0
7									0
8									0
9									0
10									0
11									0
12									0
13									0
14									0
15									0
16									0
17									0
18									0
19									0
20									0
21									0
22									0
23									0
24									0
25									0
26									0
27									0
28									0

SCHEDULE A-6
Account Nos. 201 and 204 - Capital Stock

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	None							
2								
3								
4								
5								
6								
7								
8							Total	

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK Name (a)	Number of Shares (b)	PREFERRED STOCK Name (c)	Number of Shares (d)
1	None			
2				
3				
4				
5				
6				
7				
8				
9				
10	Total number of shares	0	Total number of shares	0

SCHEDULE A-8
Account No. 211 - Other Paid in Capital (Corporations only)

Line No.	Type of Paid in Capital (a)	Balance End of Year (b)
1	Parent Company/UMS	751,960
2		
3		
4		
5		
6		
7		
8	Total	751,960

SCHEDULE A-9
Account No. 215 - Retained Earnings
(Corporations Only)

Line No	Item (a)	Amount (b)
1	Balance beginning of year	349805
2	CREDITS	
3	Net income	91870
4	Prior period adjustments	
5	Other credits (detail)	
6	Total Credits	91870
7		
8	DEBITS	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	77388
14	Total Debits	77388
15	Balance end of year	364287

SCHEDULE A-10
Account No. 218 - Proprietary Capital
(Sole Proprietor or Partnership)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	CREDITS	
3	Net income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total Credits	
7	DEBITS	
8	Net losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total Debits	
12	Balance end of year	

SCHEDULE A-11
Account No. 224 - Long-Term Debt

Line No.	Class (a)	Name of Issue (b)	Date of Issue (c)	Date of Maturity (d)	Principal Amount Authorized (e)	Outstanding Per Balance Sheet (f)	Interest Rate (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	NONE									
2										
3										
4										
5										
6										

SCHEDULE A-12
Account No. 225 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	NONE				
2					
3					
4					
5					
6	Totals	0			

Schedule A-13
Account No. 235 - Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	Del Oro Water Co./Allocation	16115			
2	Del Oro Water Co./ Intercompany	9112			
3					
4					
5					
6	Totals				

SCHEDULE A-14
Account No. 241 - Other Current Liabilities

Line No.	Description (a)	Balance End of Year (b)
1	PUC Surtax Payable	1609
2	Salaries Payable	4667
3		
4		
5	Total	6276

SCHEDULE A-15
Account No. 252 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year		67346
2	Additions during year		
3	Subtotal - Beginning balance plus additions during year		67346
4	Charges during year:		
5	Refunds		
6	Percentage of revenue basis	1803	
7	Proportionate cost basis		
8	Present worth basis		
9	Total refunds	1803	
10	Transfers to Acct. 271, Contributions in aid of Construction		
11	Due to expiration of contracts		
12	Due to present worth discount		
13	Total transfers to Acct. 271	0	
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - charges during year	1803	
16	Balance end of year		65543

SCHEDULE A-16
Account Nos. 255, 282, and 283 - Deferred Taxes

Line No.	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 - Other (d)
1				
2				
3				
4				
5	Total			0

SCHEDULE A-17

Account No. 271 - Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid of Construction

1. The credit balance in the account other than that portion of the balance relating to non-depreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 106, Accumulated depreciation of water plant, over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account No. 106. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.

2. That portion of the balance applicable to non-depreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such non-depreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.

3. That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Description	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 ² (e)	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 ³ (f)
			Depreciable (c)	Non-Depreciable ¹ (d)		
1	Balance beginning of year	16086	16086			
2	Add: Credits to account during year					
3	Contributions revived during year					
4	Other credits*					
5	Total credits	0	0	0	0	0
6	Deduct: Debits to Account during year					
7	Depreciation charges for year					
8	Non-depreciable donated property retired					
9	Other debits*					
10	Total debits	0	0	0	0	0
11	Balance end of year	16086	16086	0	0	0

* Indicate nature of these items and show the accounts affected by the contra entries

**SCHEDULE B
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
		UTILITY OPERATING INCOME		
1	400	Operating Revenues	B-1	457,303
		OPERATING REVENUE DEDUCTIONS		
2	401	Operating expenses	B-2	294,964
3	403	Depreciation expense	A-3	44,740
4	407	SDWBA loan amortization expense	pages 7 & 8	
5	408	Taxes other than income taxes	B-3	26,046
6	409	State corporate income tax expense	B-3	
7	410	Federal corporate income tax expense	B-3	
8		Total operating revenue deductions		365,750
9		Total utility operating income		91,553
		OTHER INCOME AND DEDUCTIONS		
10	421	Non-utility income	B-5	316
11	426	Miscellaneous non-utility expense	B-5	
12	427	Interest expense	B-6	
13		Total other income and deductions		316
14		Net income		91,869

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
		WATER SERVICE REVENUES			
1	460	Unmetered water revenue			
2		460.1 Single - family residential	214729	205534	9195
3		460.2 Commercial and multi-residential			0
4		460.3 Large water users			0
5		460.5 Safe Drinking Water Bond Surcharge			0
6		460.9 Other unmetered revenue			0
7		Sub-total	214729	205534	9195
8	462	Fire protection revenue			
9		462.1 Public fire protection			0
10		462.2 Private fire protection			0
11		Sub-total	0	0	0
12	465	Irrigation revenue			0
13	470	Metered water revenue			
14		470.1 Single-family residential	185322	191238	-5916
15		470.2 Commercial and multi-residential	19780	18064	1716
16		470.3 Large water users	14843	15377	-534
17		470.5 Safe Drinking Water Bond Surcharge		0	0
18		470.9 Other metered revenue	22629	20691	1938
19		Sub-total	242574	245370	-2796
20		Total water service revenues	457303	450904	6399
21	480	Other water revenue		10559	-10559
22		Total operating revenues	457303	461463	-4160

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
PLANT OPERATION AND MAINTENANCE EXPENSES					
VOLUME RELATED EXPENSES					
1	610	Purchased water	0	0	0
2	615	Power	6562	7155	-593
3	616	Other volume related expenses	3547	2900	647
4		Total volume related expenses	10109	10055	54
NON-VOLUME RELATED EXPENSES					
5	630	Employee labor	118867	114729	4138
6	640	Materials	4683	3595	1088
7	650	Contract work	734	1865	-1131
8	660	Transportation expenses	6636	8144	-1508
9	664	Other plant maintenance expenses	615	500	115
10		Total non-volume related expenses	131535	128833	2702
11		Total plant operation and maintenance exp.	141644	138888	2756
ADMINISTRATIVE AND GENERAL EXPENSES					
12	670	Office salaries	44268	38262	6006
13	671	Management salaries	12223	12266	-43
14	674	Employee pensions and benefits	30509	26966	3543
15	676	Uncollectible accounts expense	166	0	166
16	678	Office services and rentals	11139	10156	983
17	681	Office supplies and expenses	29443	25407	4036
18	682	Professional services	3661	1922	1739
19	684	Insurance	14782	10799	3983
20	688	Regulatory commission expense	894	894	0
21	689	General expenses	6235	6304	-69
22		Total administrative and general expenses	153320	132975	20345
23	800	Expenses capitalized		0	0
24		Net administrative and general expense	153320	132975	20345
25		Total operating expenses	294964	271863	23101

SCHEDULE B-3
Account No. 408, 409, 410 - Taxes Charged During the Year

Line No.	Type of Tax (a)	Total Taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	17496		
2	State corporate franchise tax			
3	State unemployment insurance tax	840		
4	Other state and local taxes			
5	Federal unemployment insurance tax	112		
6	Federal insurance contributions act	7598		
7	Other federal taxes			
8	Federal income taxes			
9	Total	26046		

SCHEDULE B-4
Reconciliation of Reported Net Income for Federal Income Taxes

- 1 Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

- 2 If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax amount the group members.

- 3 Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5		
6		
7		
8		
9		
10	Federal tax net income	
11	Computation of tax:	
12		
13		
14		
15		
16		
17		

SCHEDULE B-5
Accounts No. 421 and 426 - Income from Nonutility Operations

Line No.	Description (a)	Revenue Acct. 421 (b)	Expense Acct. 426 (c)
1	Interest Income	316	
2			
3			
4			
5	Total	316	

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	0

SCHEDULE C-1
Compensation of Individual Proprietor, Partners and Employees Included in Expenses

Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Charged to Expense (c)	Salaries Charged to Plant Accounts (d)	Total Salaries and Wages Paid (e)
1	630	Employee Labor	3	118867		118867
2	670	Office salaries	9	44268		44268
3	671	Management salaries	1	12223		12223
4						
5						
6		Total	13	175358		175358

**SCHEDULE C-2
Loans to Directors, Officers, or Shareholders**

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (e)	Security Given (f)	Date of Shareholder Authorization (g)	Other Information (h)
1.	NONE							
2.								
3.								
4.								
5.								
6.								
7.	Total							

**SCHEDULE C-3
Engineering and Management Fees and Expenses, etc., During Year**

Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.	
1.	Did the respondent have a contract or other agreement with any organization or person covering supervision and/or management of its own affairs during the year? Answer: Yes: _____ No: X (If the answer is in the affirmative, make appropriate replies to the following questions)*	
2.	Name of each organization or person that was a party to such a contract or agreement.	
3.	Date of original contract or agreement: _____	
4.	Date of each supplement or agreement: _____	
5.	Amount of compensation paid during the year for supervision or management: \$ _____	
6.	To whom paid: _____	
7.	Nature of payment (salary, traveling expenses, etc.): _____	
8.	Amounts paid for each class of service: _____	
9.	Basis for determination of such amounts: _____	
10.	Distribution of payments:	Amount
	(a) Charged to operating expenses	\$ _____
	(b) Charged to capital amounts	\$ _____
	(c) Charged to other account	\$ _____
	Total	\$ _____
11.	Distribution of charges to operating expenses by primary accounts: Number and Title of Account:	Amount
	_____	\$ _____
	_____	\$ _____
	Total	\$ _____
12.	What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
	* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.	

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

STREAMS					FLOW IN (Unit) ²				Annual Quantities Diverted (Unit) ²	Remarks
Line No.	Diverted Into	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions				
				Claim	Capacity	Max.	Min.			
1										
2	None									
3										
4										
5										

WELLS						Pumping Capacity GPM	Annual Quantities Pumped 1000 Gallons	Remarks
Line No.	At Plant (Name or Number)	Location	No.	Dimensions	Depth to Water ¹			
6	Van Ness	Van Ness	1	12"x175'	168	450	4284	
7								
8								
9								
10								

TUNNELS AND SPRINGS				FLOW IN Gallons per Day		Annual Quantities Pumped 1000 Gallons	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11	Highline	SE Ferndale		46420	42487	31672	
12	Low Line	SE Ferndale		97827	76216	15794	
13							
14							
15							

Purchased Water for Resale	
16	Purchased from NONE
17	Annual Quantities purchased (Unit chosen) ¹
18	
19	

* State ditch pipeline reservoir, etc., with name, if any.
¹ Average depth to water surface below ground surface
² The quantity unit in established use for experiencing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon 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.

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

Line No	Type	No.	Combined Capacity Gallons	Remarks
1	A. Collecting reservoirs			
2	Concrete	1	990,000	Reservoir
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal			
12	Concrete			
13	Total		990,000	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	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	Total								

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Continued)									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	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	Total								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING										
Line No.	Description	1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast Iron								702	2004
12	Cast iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos						7297		21306	13486
19	Welded steel		583							
20	Wood									
21	Other - Galvanized Iron	181	24	751			2517	1099		
	Other - Plastic						2764		6027	4157
	Other - Ductile Iron								177	200
	Other - HDPE			50						712
22	Total	181	607	801	0	0	12578	1099	28212	20559

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - (Continued)										
Line No.	Description	10	12	14	16	18	20	Other Sizes (Specify)		Total All Sizes
								3/4		
23	Cast Iron	130								2836
24	Cast iron (cement lined)									0
25	Concrete									0
26	Copper									0
27	Riveted steel									0
28	Standard screw									0
29	Screw or welded casing									0
30	Cement - asbestos									42089
31	Welded steel								383	966
32	Wood									0
33	Other (specify)									4572
	Other - Plastic								207	13155
	Other - Ductile Iron									377
	Other - HDPE									762
34	Total	130	0	0	0	0	0	590	0	64757

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

Size	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
	5/8 x 3/4 - in	740	734	
3/4 - in		6		
1 - in	12	12		
1 1/2 - in	5	5		
2" - in		3		
6" - in		1		
8" - in		1		
- in				
Other				
Total	757	762	0	0

**SCHEDULE D-5
Number of Meters and Services on
Pipe Systems at End of Year**

Size	Meters	Services
5/8 x 3/4 - in	738	734
3/4 - in	6	6
1 - in	12	12
1 1/2 - in	5	5
2" - in	3	3
6" - in	1	1
8" - in	1	1
- in		
Other		
Total	766	762

**SCHEDULE D-6
Meter Testing Data**

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	_____

**SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in 1000 Gallons**

	During Current Year							Subtotal
	January	February	March	April	May	June	July	
Single-family residential	2789	2908	2336	2699	2531	2901	3360	19523
Commercial and Multi-residential	292	277	224	329	292	329	329	2072
Large water users	187	239	127	150	209	165	180	1257
Public authorities								0
Irrigation	7	7	7	7	7	15	22	75
Other (specify)								0
Total	3275	3431	2695	3186	3039	3409	3891	22926

	During Current Year						Subtotal	Total Prior Year
	August	September	October	November	December	Subtotal		
Single-family residential	4046	3176	3836	2415	2308	15781	35304	4015
Commercial and Multi-residential	396	404	419	239	254	1713	3785	440
Large water users	449	404	217	142	127	1339	2596	429
Public authorities								
Irrigation	52	37	37	15	7	150	224	42
Other (specify)								
Total	4944	4021	4509	2812	2697	18982	41908	4926

¹ Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated: _____

Total population served: _____

**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: Five Star Bank
 Address: 6810 Five Star Blvd., Rocklin, CA 95677
 Phone Number: 916-626-5000
 Account Number: 4200135
 Date Hired: Jul-08

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

\$ _____

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	\$ _____
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:

**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					
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					

FACILITIES FEES DATA

Class B: Please provide the following information relating to Facilities Fees for districts or subsidiaries serving 2,000 or fewer customers for the calendar year (per D.91-04-068).

Class C: Please provide the following information relating to Facilities Fees collected for the calendar year, pursuant to Resolution No. W-4110.

1. Trust Account Information: **NONE**

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:

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:

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DECLARATION

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

I, the undersigned Janice Hanna
Officer, Partner, or Owner (Please Print)

of Del Oro Water Company - Ferndale District
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, 2010, through December 31, 2010.

Secretary/Director of Corporate Accounting
Title (Please Print)


Signature

530-894-1100 Ext. 103
Telephone Number

3/31/11
Date