

Received _____
Examined _____

**CLASS D
WATER UTILITIES**

U# _____

**2003
ANNUAL REPORT
OF**

DEL ORO WATER COMPANY INC.

JOHNSON PARK DISTRICT

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

DRAWER 5172, CHICO, CALIFORNIA 95927-5172

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2003**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2004
(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 2003		
Account Number	Operating Revenue	
470	Metered	59,963
460	Unmetered	34,978
465	Irrigation	
462-480	Private Fire Protection	2,096
	Total Revenue	97,037
	Operating Expenses	
610	Purchased Water	0
615	Purchased Power	22,382
	Pump Taxes	0
	Purchased Chemicals	0
618	Other Vol. Related Expense	661
630	Employee Labor	11,030
640	Materials	1,557
650	Contract Work	100
	Water Testing	491
660	Transportation Expense	5,255
664	Other Plant Maintenance	720
670	Office Salaries	9,338
671	Management Salaries	4,745
674	Employee Pensions and Benefits	1,309
676	Uncollectables	418
678	Office Service and Rentals	3,855
681	Office Supplies and Expense	8,033
682	Professional Services	388
684	Insurance	3,850
688	Regulatory Expense	0
689	General Expense	1,442
	Subtotal	75,572
403	Depreciation Expense	5,629
	Ad Valorem Taxes	
	Payroll Taxes	861
408	Taxes other than income	1,238
409	State Income Tax	
410	Federal Income Tax	
	Total Deductions	83,299
	Net Revenue	13,737
	Rate Base	
	Average Plant	
	Average Depreciation Reserve	
	Net Plant	
	Less: Advances	
	Less: Contributions	
	Plus: Construction in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	Rate Base	
	ROR=Net Rev/Rate Base	

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

DEL ORO WATER COMPANY, INC.

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

DRAWER 5172, CHICO, CALIFORNIA 95927-5172

(Official mailing address)

JOHNSON PARK, SHASTA 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 California
 - (B) Names, titles and addresses of principal officers:
Robert S. Fortino, President Janice Hanna, Secretary Drawer 5172, Chico, CA 95927
- 2 If unincorporated give the name and address of owner or of each partner:

- 3 Name and telephone number of:
 - (A) One person listed above to receive correspondence: Janice Hanna, 530-894-1100
 - (B) Person responsible for operations and services: Paul J. Matulich, 530-894-1100
- 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)
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 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	3/27/1997
X		
X		2/1981

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
2003

NAME OF UTILITY DEL ORO WATER CO., INC. PHONE 530-894-1100
JOHNSON PARK DISTRICT
PERSON RESPONSIBLE FOR THIS REPORT JANICE HANNA
(Prepared from Information in the 2003 Annual Report)

	1/1/2003	12/31/2003	Average
BALANCE SHEET DATA			
1 Intangible Plant	155	155	155
2 Land and Land Rights	57,509	57,509	57,509
3 Depreciable Plant	91,636	94,980	93,308
4 Gross Plant in Service	149,300	152,644	150,972
5 Less: Accumulated Depreciation	(30,907)	(36,991)	(33,949)
6 Net Water Plant in Service	118,392	115,653	117,023
7 Water Plant Held for Future Use			
8 Construction Work in Progress	0	4,614	2,307
9 Materials and Supplies			
10 Less: Advances for Construction	()	()	()
11 Less: Contribution in Aid of Construction	(16,368)	(15,457)	(15,913)
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	102,025	104,810	103,417
CAPITALIZATION			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings	31,049	41,939	36,494
18 Common Stock and Equity (Lines 14 through 17)	31,049	41,939	36,494
19 Preferred Stock			
20 Long-Term Debt	43,181	38,514	40,848
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	74,231	80,453	77,342

(Revised 2/01)

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

2003

(continued)

NAME OF UTILITY DEL ORO WATER CO., INC. PHONE 530-894-1100
JOHNSON PARK DISTRICT

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	<u>37,074</u>
24	Fire Protection Revenue	<u> </u>
25	Irrigation Revenue	<u> </u>
26	Metered Water Revenue	<u>59,963</u>
27	Total Operating Revenue	<u>97,037</u>
28	<u>Operating Expenses</u>	<u>75,572</u>
29	Depreciation Expense (Composite Rate _____)	<u>5,629</u>
30	Amortization and Property Losses	<u> </u>
31	Property Taxes	<u>1,238</u>
32	Taxes Other Than Income Taxes	<u>861</u>
33	Total Operating Revenue Deduction Before Taxes	<u>13,737</u>
34	California Corp. Franchise Tax	<u> </u>
35	Federal Corporate Income Tax	<u> </u>
36	Total Operating Revenue Deduction After Taxes	<u>13,737</u>
37	Net Operating Income (Loss) - California Water Operations	<u>13,737</u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>208</u>
39	Income Available for Fixed Charges	<u> </u>
40	Interest Expense	<u>(3,056)</u>
41	Net Income (Loss) Before Dividends	<u>10,890</u>
42	Preferred Stock Dividends	<u> </u>
43	Net Income (Loss) Available for Common Stock	<u> </u>

OTHER DATA

44	Refunds of Advances for Construction	<u>0</u>
45	Total Payroll Charged to Operating Expenses	<u>25,113</u>
46	Purchased Water	<u>0</u>
47	Power	<u>22,382</u>

<u>Active Service Connections</u>		(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections		<u>310</u>	<u>308</u>	<u>309</u>
49	Flat Rate Service Connections				
50	Total Active Service Connections		<u>310</u>	<u>308</u>	<u>309</u>

**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: **N/A**

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

2. Former Fiscal Agent:

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, 2001)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	152,644	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	41,939
4	105	Water plant construction work in progress	4,614	218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(36,991)	224	Long term debt	38,514
6	114	Water plant acquisition adjustments			Current Liabilities	70,190
7	124	Other investments		252	Advances for construction	
8	131	Cash	29,523	253	Other deferred credits	
9	141	Accounts receivable - customers	12,404	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets	985	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	2,921	271	Contributions in aid of construction	15,457
14				272	Accumulated amortization of contributions	
15		Total Assets	166,101		Total Equity and Liabilities	166,101

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Deblts or (Credits)	Balance End of year
16	301	Intangible plant	155				155
17	303	Land	57,509				57,509
18	304	Structures	2,986				2,986
19	307	Wells	3,225				3,225
20	317	Other water source plant	0				0
21	311	Pumping equipment	20,667	3,119			23,786
22	320	Water treatment plant	1,362				1,362
23	330	Reservoirs tanks and sandpipes	5,769				5,769
24	331	Water mains	35,796				35,796
25	333	Services and meter installations	6,235				6,235
26	334	Meters	6,351	225			6,577
27	335	Hydrants	1,398				1,398
28	339	Other equipment	3,947				3,947
29	340	Office furniture and equipment	3,774				3,774
30	341	Transportation equipment	125				125
31		Total water plant in service	149,300	3,345			152,644

* 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	30,907		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	6,084		
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	6,084		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	36,991		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2003)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	152,644	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	41,939
4	105	Water plant construction work in progress	4,614	218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(36,991)	224	Long term debt	38,514
6	114	Water plant acquisition adjustments			Current Liabilities	70,190
7	124	Other investments		252	Advances for construction	
8	131	Cash	29,523	253	Other deferred credits	
9	141	Accounts receivable - customers	12,404	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets	985	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	2,921	271	Contributions in aid of construction	15,457
14				272	Accumulated amortization of contributions	
15		Total Assets	166,101		Total Equity and Liabilities	166,101

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	155				155
17	303	Land	57,509				57,509
18	304	Structures	2,986				2,986
19	307	Wells	3,225				3,225
20	317	Other water source plant	0				0
21	311	Pumping equipment	20,667	3,119			23,786
22	320	Water treatment plant	1,362				1,362
23	330	Reservoirs tanks and sandpipes	5,769				5,769
24	331	Water mains	35,796				35,796
25	333	Services and meter installations	6,235				6,235
26	334	Meters	6,351	225			6,577
27	335	Hydrants	1,398				1,398
28	339	Other equipment	3,947				3,947
29	340	Office furniture and equipment	3,774				3,774
30	341	Transportation equipment	125				125
31		Total water plant in service	149,300	3,345			152,644

* 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	30,907		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	6,084		
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	6,084		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	36,991		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2003)

Line	1	Common - (Shares	, \$	par)			List persons owning more than 5% of outstanding stock
	2	Preferred - (Shares	, \$	par)			and number of shares owned by each:
	3	Dividends - Common	Rate - \$				
	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	William & Carol Fry	3/31/1998	3/31/2008	30,819	16,386	8		1,444
6	William & Carol Fry	3/31/1998	3/31/2013	30,000	22,182	7		1,611
7								
8	Totals			60,819	38,568			3,056

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxx
10	460 Unmetered water revenue	34,978
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	59,963
14	480 Other water revenue	2,096
15	Total Operating Revenue	97,037
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	0
19	615 Power	22,382
20	618 Other volume related expenses	661
21	630 Employee labor	11,030
22	640 Materials	1,557
23	650 Contract work	591
24	660 Transportation expenses	5,255
25	664 Other plant maintenance expense	720
26	670 Office salaries	9,338
27	671 Management salaries	4,745
28	674 Employee pensions and benefits	1,309
29	676 Uncollectible accounts expense	418
30	678 Office services and rentals	3,855
31	681 Office supplies and expense	8,033
32	682 Professional services	388
33	684 Insurance	3,850
34	688 Regulatory commission expense	0
35	689 General expenses	1,442
36	Total Operating Expenses	75,572
37	403 Depreciation expense	5,629
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	2,099
40	409 State corporate income tax expense	
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	83,299
43	Utility Operating Income	13,737
44	421 Non-utility income	208
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	(3,056)
47	Net Income	10,890

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
21670 S. Cottonwood	1	8"	204		30,554
21670 S. Cottonwood	2	8"	170		20,122

OTHER

Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted (Unit)
	Priority right		Diversions		
	Claim	Capacity	Max	Min	
NONE					
Purchased water (unit)					
Supplier:					Annual quantity

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	July	February	47,575,336
Industrial	July	May	1,300,822
Public authorities	June	January	1,090,253
Irrigation			
Other (specify)			
Total			49,966,411

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	1	11,030		11,030
49	670	Office salaries		9,338		9,338
50	671	Management salaries		4,745		4,745
51		Total		25,113		25,113

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	
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	294	294
3/4-in	5	5
1-in	5	5
1.5'-in	4	4
Total	308	308

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1	Used, before repair... _____
2	Used, after repair _____
3	Fast, requiring refund .. _____
Numbers of meters in service requiring test per General Order No. 103 NONE	

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	294			9			303	
Industrial	12						12	
Other (specify)	1			0			1	
Fire Dept.				0			1	
School								
Subtotal	308			9			317	
Fire protection (Hydrants)	12			0			12	
Total	320			9			329	

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				8"	Other sizes (specify)	Totals
				2"	2 1/4"	3 1/4"	4"			
Concrete			Cast Iron							
Earth			Welded steel			6600	45		6645	
Wood			Standard screw	26150	75				26225	
Steel	3	96,200	Cement-asbestos						0	
Other			Plastic		700	1500	2920		5120	
			Other (specify)			1420			1420	
Total	3	96,200	Total	26150	775	9,520	2965		39,410	

DECLARATION

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

I, the undersigned (officer, partner or owner) of **Del Oro Water Co., Inc. Johnson Park District** 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, 2003, to and including December 31, 2003.


 Signed
 Janice Hanna
 Title
 Director of Corporate Accounting
 Date: March 31, 2004