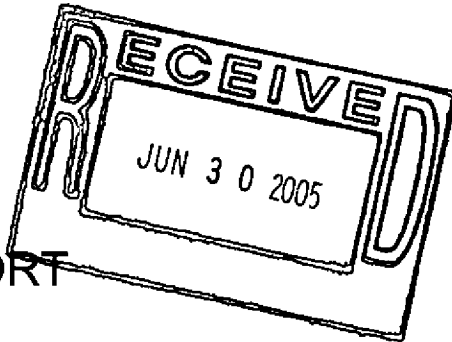


J C

Received _____
Examined _____

CLASS B and C  
WATER UTILITIES

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



2004  
ANNUAL REPORT  
OF

DEL ORO WATER COMPANY, INC.

PARADISE PINES 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, 2004

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2005  
(FILE TWO COPIES IF THREE RECEIVED)

## INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed NOT LATER THAN MARCH 31, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION  
WATER DIVISION  
505 VAN NESS AVENUE, ROOM 3105  
SAN FRANCISCO, CALIFORNIA 94102-3298**

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

# INSTRUCTIONS

## FOR PREPARATION OF

### SELECTED FINANCIAL DATA SHEET

#### FOR CLASS A, B, C AND D, 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 instruction 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.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES  
2004

NAME OF UTILITY DEL ORO WATER CO., INC. PHONE 530-894-1100  
PARADISE PINES DISTRICT  
PERSON RESPONSIBLE FOR THIS REPORT JANICE HANNA  
(Prepared from information in the 2004 Annual Report)

	01/01/04	12/31/04	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant	5,485	5,486	5,486
2 Land and Land Rights	100,874	100,874	100,874
3 Depreciable Plant	5,675,520	5,775,216	5,725,368
4 Gross Plant in Service	5,781,879	5,881,576	5,831,728
5 Less: Accumulated Depreciation	(3,476,959)	(3,660,479)	(3,568,719)
6 Net Water Plant in Service	2,304,920	2,221,097	2,263,009
7 Water Plant Held for Future Use			
8 Construction Work in Progress	88,134	173,419	130,776
9 Materials and Supplies	7,157	7,157	7,157
10 Less: Advances for Construction	(98,176)	(128,507)	(113,342)
11 Less: Contribution in Aid of Construction	(352,511)	(302,561)	(327,536)
12 Less: Accumulated Deferred Income and Investment Tax Credits			
13 Net Plant Investment	<u>1,949,524</u>	<u>1,970,604</u>	<u>1,960,064</u>
<b>CAPITALIZATION</b>			
14 Common Stock	21,820	21,820	21,820
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	432,224	432,224	432,224
17 Retained Earnings	637,765	705,503	671,634
18 Common Stock and Equity (Lines 14 through 17)	<u>1,091,809</u>	<u>1,159,547</u>	<u>1,125,678</u>
19 Preferred Stock			
20 Long-Term Debt	1,786,599	1,750,681	1,768,640
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	<u>2,878,409</u>	<u>2,910,229</u>	<u>2,894,319</u>

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES  
2004

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

<b>INCOME STATEMENT</b>	Annual Amount
23 Unmetered Water Revenue	625,611
24 Fire Protection Revenue	<u>          </u>
25 Irrigation Revenue	46,699
26 Metered Water Revenue	786,140
27 Total Operating Revenue	<u>1,458,450</u>
28 <u>Operating Expenses</u>	<u>1,083,618</u>
29 Depreciation Expense (Composite Rate _____)	133,570
30 Amortization and Property Losses	<u>          </u>
31 Property Taxes	17,484
32 Taxes Other Than Income Taxes	47,693
33 Total Operating Revenue Deduction Before Taxes	<u>1,282,365</u>
34 California Corp. Franchise Tax	<u>800</u>
35 Federal Corporate Income Tax	<u>          </u>
36 Total Operating Revenue Deduction After Taxes	<u>1,283,165</u>
37 Net Operating Income (Loss) - California Water Operations	<u>175,285</u>
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>648</u>
39 Income Available for Fixed Charges	<u>          </u>
40 Interest Expense	<u>(108,195)</u>
41 Net Income (Loss) Before Dividends	<u>67,738</u>
42 Preferred Stock Dividends	<u>          </u>
43 Net Income (Loss) Available for Common Stock	<u>          </u>
 <b>OTHER DATA</b>	
44 Refunds of Advances for Construction	30,331
45 Total Payroll Charged to Operating Expenses	<u>357,833</u>
46 Purchased Water	<u>47,331</u>
47 Power	<u>254,294</u>

<u>Active Service Connections</u>	(Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		4628	<u>4680</u>	<u>4654</u>
49 Flat Rate Service Connections		<u>          </u>	<u>          </u>	<u>          </u>
50 Total Active Service Connections		<u>4628</u>	<u>4680</u>	<u>4654</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: \_\_\_\_\_

**CLASS B, C AND D WATER COMPANIES  
SAFE DRINKING WATER BOND ACT DATA (continued)**

6. Plant amounts included in Schedule A-1a, 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					

## GENERAL INFORMATION

1 Name under which utility is doing business: Del Oro Water Company, Inc.  
Paradise Pines District

2 Official mailing address:  
Drawer 5172, Chico, California ZIP 95927

3 Name and title of person to whom correspondence should be addressed:  
Janice Hanna, Director Corporate Accounting Telephone: 530-894-1100

4 Address where accounting records are maintained:  
426 Broadway, Suite 301, Chico, California 95928

5 Service Area: (Refer to district reports if applicable.)  
Lime Saddle District - Paradise, California

6 Service Manager (if located in or near Service Area): (Refer to district reports if applicable.)  
 Name: Paul J. Matulich  
 Address: Drawer 5172 Telephone: 530-894-1100  
Chico, California 95927-5272

7 OWNERSHIP. Check and fill in appropriate line:  
 Individual (name of owner) \_\_\_\_\_  
 Partnership (name of partner) \_\_\_\_\_  
 Partnership (name of partner) \_\_\_\_\_  
 Partnership (name of partner) \_\_\_\_\_  
 Corporation (corporate name) Del Oro Water Company, Inc.  
 Organized under laws of (state) California

Principal Officers:  

<u>(Name)</u>	<u>Robert S. Fortino</u>	<u>(Title)</u>	<u>President</u>
<u>(Name)</u>	<u>Janice Hanna</u>	<u>(Title)</u>	<u>Secretary</u>
<u>(Name)</u>		<u>(Title)</u>	
<u>(Name)</u>		<u>(Title)</u>	

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:  
 \_\_\_\_\_ Date: \_\_\_\_\_  
 \_\_\_\_\_ Date: \_\_\_\_\_  
 \_\_\_\_\_ Date: \_\_\_\_\_  
 \_\_\_\_\_ Date: \_\_\_\_\_

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



**SCHEDULE A**  
**COMPARATIVE BALANCE SHEETS**  
**Assets and other Debits**

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		UTILITY PLANT			
2	101	Water plant in service	4	5,881,576	5,781,881
3	103	Water plant held for future use	5		
4	104	Water plant purchased or sold			
5	105	Water plant construction work in progress		173,419	88,134
6		Total utility plant		6,054,995	5,870,015
7	106	Accumulated depreciation of water plant	6	3,660,479	3,476,959
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments		3,660,479	3,476,959
10		Net utility plant		2,394,516	2,393,056
11		INVESTMENTS			
12	121	Non-utility property and other assets	5		
13	122	Accumulated depreciation of non-utility property	6		
14		Net non-utility property			
15	123	Investments in associated companies		386,567	323,946
16	124	Other investments			
17		Total investments		386,567	323,946
18		CURRENT AND ACCRUED ASSETS			
19	131	Cash		219,630	321,730
20	132	Special accounts			
21	141	Accounts receivable - customers		102,130	99,073
22	142	Receivables from associated companies		341,143	253,811
23	143	Accumulated provision for uncollectible accounts			
24	151	Materials and supplies		7,157	7,157
25	174	Other current assets	7	71,537	62,278
26		Total current and accrued assets		741,598	744,049
27	180	Deferred charges	8	(14,308)	19,495
28		Total assets and deferred charges		3,508,373	3,480,545

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

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		<b>CORPORATE CAPITAL AND SURPLUS</b>			
2	201	Common stock	9	21,820	21,820
3	204	Preferred stock	9		
4	211	Other paid-in capital	9	432,224	432,224
5	215	Retained earnings	10	705,503	637,765
6		Total corporate capital and retained earnings		1,159,548	1,091,810
7		<b>PROPRIETARY CAPITAL</b>			
8	218	Proprietary capital	10		
9	218.1	Proprietary drawings			
10		Total proprietary capital			
11		<b>LONG TERM DEBT</b>			
12	224	Long term debt	11	1,750,681	1,786,599
13	225	Advances from associated companies	12		
14		<b>CURRENT AND ACCRUED LIABILITIES</b>			
15	231	Accounts payable		79,263	72,801
16	232	Short term notes payable			
17	233	Customer deposits		23,957	32,453
18	235	Payables to associated companies	12	30,438	14,168
19	236	Accrued taxes		5,172	4,246
20	237	Accrued interest		20,893	14,794
21	241	Other current liabilities	13	32,327	37,960
22		Total current and accrued liabilities		192,050	176,423
23		<b>DEFERRED CREDITS</b>			
24	252	Advances for construction	13	128,507	98,176
25	253	Other credits	8		
26	255	Accumulated deferred investment tax credits	13		
27	282	Accumulated deferred income taxes - ACRS depreciation	13		
28	283	Accumulated deferred income taxes - other	13		
29		Total deferred credits		128,507	98,176
30		<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
31	271	Contributions in aid of construction	14	1,754,238	1,754,238
32		Accumulated amortization of contributions		(1,476,651)	(1,426,701)
33		Net contributions in aid of construction		277,586	327,536
34		Total liabilities and other credits		3,508,373	3,480,545

**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	5,781,879	99,697			5,881,576
2	103	Water plant held for future use					
3	104	Water plant purchased or sold					
4	105	Construction work in progress - water plant	88,134	85,285	xxxxxxxxxxxx	0	173,419
5	114	Water plant acquisition adjustments	0		xxxxxxxxxxxx		
6		Total utility plant	5,870,013	184,982			6,054,995

\* 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)
1		<b>NON-DEPRECIABLE PLANT</b>					
2	301	Intangible plant	28,096				28,096
3	303	Land	100,874				100,874
4		Total non-depreciable plant	128,970				128,970
5		<b>DEPRECIABLE PLANT</b>					
6	304	Structures	220,393				220,393
7	307	Wells	932,806				932,806
8	317	Other water source plant	0				0
9	311	Pumping equipment	528,730	10,479			539,209
10	320	Water treatment plant					0
11	330	Reservoirs, tanks and sandpipes	803,989				803,989
12	331	Water mains	2,187,830	29,203			2,217,033
13	333	Services and meter installations	298,016	845			298,861
14	334	Meters	293,685	9,769			303,454
15	335	Hydrants	122,628	4,139			126,767
16	339	Other equipment	203,978				203,978
17	340	Office furniture and equipment	26,284	45,261			71,545
18	341	Transportation equipment	34,571				34,571
19		Total depreciable plant	5,652,911	99,696			5,752,607
20		Total water plant in service	5,781,880	99,696			5,881,576

\* 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	3,476,959		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	133,570		
4	(b) Charged to Account No 272	49,950		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits	183,520		
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			
14	Balance in reserve at end of year	3,660,479		
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	[ ]		

2004

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 Excl. Cost of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures					0
2	307	Wells					0
3	317	Other water source plant					0
4	311	Pumping equipment					0
5	320	Water treatment plant					0
6	330	Reservoirs, tanks and sandpipes					0
7	331	Water mains					0
8	333	Services and meter installations					0
9	334	Meters					0
10	335	Hydrants					0
11	339	Other equipment					0
12	340	Office furniture and equipment					0
13	341	Transportation equipment					0
14		Total	0	0			0

SCHEDULE A-4

Account No. 174 - Other Current Assets

Line No.	Item (a)	Amount (b)
1	Pre Paid Personal Prop Tax	0
2	Prepaid Insurance	13,328
3	Fortino Enterprises	44,584
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 unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year.  
 6 Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Designation of long-term debt (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	Def Interest/O'Farrell					14,794	6100		20,893
2	Loan Fees					12,232		890	11,342
3	Def Comp Inc					26,401		2200	28,601
4	Def Reguibak CEQA Surchg					-41,007		45277	-86,283
5	Def GRC Expenses					5,890	14775	9526	11,139
6									
7									
8									
9									
10									
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**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	Common	1965	25,000	10	2,182	21,820		NONE
2								
3								
4								
5								
6							Total	

**SCHEDULE A-7**  
**Record of Stockholders at End of Year**

Line No.	COMMON STOCK		PREFERRED STOCK	
	Name (a)	Number of Shares (b)	Name (c)	Number of Shares (d)
1	Fortino Enterprises	2,182		
2				
3				
4				
5				
6				
7	Total number of shares		Total number of shares	

**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	Capital Surplus derived from 22% Reserve	432,224
2	and charged to advances for construction	
3		
4	Total	432,224



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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	882,510
2	<b>CREDITS</b>	
3	Net income	42,763
4	Prior period adjustments	
5	Other credits (detail)	
6		67,738
7		
8	<b>DEBITS</b>	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	244,744
13	Other debits (detail)	
14	Total debits	
15	Balance end of year	705,503

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

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	<b>CREDITS</b>	
3	Net income	
4	Additional investments during year	
5	Other credits (detail) <b>NONE</b>	
6	Total credits	
7	<b>DEBITS</b>	
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)	Rate of Interest (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	North Valley Bank		Oct-02	Oct-17	1,465,436	1,334,122	7.25			103,303
2	North Valley Bank		Jun-02	Jun-05	6,590	1,212	9.5			223
3	Butte Comm Bank		Sep-02	Oct-05	9,935	2,944	8.95			430
4	Safor Corp		Sep-93	Sep-93	250,000	90,000	6			
5	North Valley Bank		Feb-03	Feb-09	250,000	162,656	7.5	13524		
6	North Valley Bank		Apr-03	Mar-06	11,950	5,297	8			595
7	North Valley Bank		Oct-03	Sep-08	89,142	69,716	7.1			1,500
8	Butte Comm Bank		Feb-04	Jan-09	40,400	35,222	7.5			2,144
9										
10										
11										
12					2,123,453	1,701,168				108,195

**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					
2					
3					
4	Totals				

**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	Stirling Bluffs	22,852			
2	Lime Saddle	0			
3	Magalia	0			
4	Ferndale	0			
	Totals	22,852			

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

Line No.	Description (a)	Balance End of Year (b)
1	Deferred Compensation Liability	28,601
2		
3		
4		
5	Totals	28,601

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	xxxxxxxxxxxxxxxx	98,176
2	Additions during year	xxxxxxxxxxxxxxxx	32,912
3	Subtotal - Beginning balance plus additons during year	xxxxxxxxxxxxxxxx	131,088
4	Charges during year:	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
5	Refunds	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
6	Percentage of revenue basis		xxxxxxxxxxxxxxxx
7	Proportionate cost basis		xxxxxxxxxxxxxxxx
8	Present worth basis		xxxxxxxxxxxxxxxx
9	Total refunds	2,581	xxxxxxxxxxxxxxxx
10	Transfers to Acct. 271, Contributions in aid of Construction	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
11	Due to expiration of contracts		xxxxxxxxxxxxxxxx
12	Due to present worth discount		xxxxxxxxxxxxxxxx
13	Total transfers to Acct. 271		xxxxxxxxxxxxxxxx
14	Securities Exchanged for Contracts (Enter detail below)		xxxxxxxxxxxxxxxx
15	Subtotal - charges during year		
16	Balance end of year	xxxxxxxxxxxxxxxx	128,507

**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	Totals			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 nondepreciable 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 nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable 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.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 <sup>2</sup>	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 <sup>3</sup>
			Depreciable (c)	Non-Depreciable <sup>1</sup> (d)		
1	Balance beginning of year	327,536	327,536			
2	Add: Credits to account during year					
3	Contributions received during year					
4	Other credits*					
5	Total credits					
6	Deduct: Debits to Account during year					
7	Depreciation charges for year	49,950	49,950			
8	Nondepreciable donated property retired					
9	Other debits*					
10	Total debits					
11	Balance end of year	277,586	277,586			

\* 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 Page No. (b)	Amount (c)
1		<b>UTILITY OPERATING INCOME</b>		
2	400	Operating revenues	16	1,458,450
3		<b>OPERATING REVENUE DEDUCTIONS</b>		
4	401	Operating expenses	17	1,083,618
5	403	Depreciation expense		133,570
6	407	SDWBA loan amortization expense		
7	408	Taxes other than income taxes		65,177
8	409	State corporate income tax expense	18	800
9	410	Federal corporate income tax expense	18	
10		Total operating revenue deductions		1,283,165
11		Total utility operating income		175,285
12		<b>OTHER INCOME AND DEDUCTIONS</b>		
13	421	Non-utility income	19	1,537
14	426	Miscellaneous non-utility expense	19	(890)
15	427	Interest expense	19	(108,195)
16		Total other income and deductions		(107,547)
17		Net income		67,738

**SCHEDULE B-1**  
**Account No. 400 - Operating Revenues**

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceeding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
1		<b>WATER SERVICE REVENUES</b>			
2	460	Unmetered water revenue			
3		460.1 Single - family residential	588,409	575,326	13,083
4		460.2 Commercial and multi-residential			
5		460.3 Large water users			
6		460.5 Safe Drinking Water Bond Surcharge			
7		460.9 Other unmetered revenue			
8		Sub-total	588,409	575,326	13,083
9	462	Fire protection revenue			
10		462.1 Public fire protection			
11		462.2 Private fire protection			
12		Sub-total			
13	465	Irrigation revenue	46,699	47,371	(672)
14	470	Metered water revenue			
15		470.1 Single-family residential	733,248	695,847	37,401
16		470.2 Commercial and multi-residential	24,505	21,007	3,498
17		470.3 Large water users	11,523	14,023	(2,500)
18		470.5 Safe Drinking Water Bond Surcharge			
19		470.9 Other metered revenue	10,931	12,408	(1,477)
20		Sub-total	780,206	743,285	36,921
21		Total water service revenues	1,415,314	1,365,982	49,332
22	480	Other water revenue	43,136	69,225	(26,089)
23		Total operating revenues	1,458,450	1,435,207	23,243

**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 [Brackets] (d)
1		<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>			
2		<b>VOLUME RELATED EXPENSES</b>			
3	610	Purchased water	47,331	12,463	34,868
4	615	Power	254,294	254,978	(685)
5	616	Other volume related expenses	910	1,003	(94)
6		Total volume related expenses	302,534	268,445	34,090
7		<b>NON-VOLUME RELATED EXPENSES</b>			
8	630	Employee labor	145,975	137,373	8,601
9	640	Materials	31,292	30,308	984
10	650	Contract work	29,874	23,553	6,320
11	660	Transportation expenses	28,124	21,192	6,932
12	664	Other plant maintenance expenses	0	405	(405)
13		Total non-volume related expenses	235,264	212,832	22,433
14		Total plant operation and maintenance exp.	537,799	481,277	56,522
15		<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>			
16	670	Office salaries	154,705	140,306	14,399
17	671	Management salaries	86,651	80,154	6,497
18	674	Employee pensions and benefits	56,561	50,264	6,297
19	676	Uncollectible accounts expense	6,831	4,419	2,411
20	678	Office services and rentals	57,913	57,125	788
21	681	Office supplies and expenses	71,516	65,699	5,817
22	682	Professional services	35,028	13,618	21,409
23	684	Insurance	55,366	44,292	11,074
24	688	Regulatory commission expense	8,074	8,936	(862)
25	689	General expenses	13,174	10,370	2,804
26		Total administrative and general expenses	545,819	475,183	70,636
27	800	Expenses capitalized			0
28		Net administrative and general expense			
29		Total operating expenses	1,083,618	956,460	127,158



**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	17,484		
2	State corporate franchise tax	800		
3	State unemployment insurance tax	4,899		
4	Other state and local taxes			
5	Federal unemployment insurance tax	956		
6	Federal insurance contributions act	41,838		
7	Other federal taxes			
8	Federal income taxes			
9				
10				
11	Totals	65,977		

**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 among 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	<b>NOT PREPARED AT THIS TIME</b>	
7		
8		
9		
10	Federal tax net income	
11	Computation of tax:	
12		
13		
14		
15		
16		
17		

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

Line No.	Description (a)	Revenues Acct. 421 (b)	Expenses Acct. 426 (c)
1	Gain on Investments	1,537	
2			
3			
4			
5	Total	1,537	0

**SCHEDULE B-6**  
**Account No. 427 - Interest Expense**

Line No.	Description (a)	Amount (b)
1	Loans	108,195
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	108,195

**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		145,975		145,975
2	670	Office salaries		154,705		154,705
3	671	Management salaries		86,651		86,651
4						
5						
6		Total		387,330		387,330

**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								
2	NONE							
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.	
	NONE	
1	1. Did the respondent have a contract or other agreement with any organization or person covering supervision	
2	and/or management of its own affairs during the year? Answer: (Yes or No)	
3	(If the answer is in the affirmative, make appropriate replies to the following questions)*	
4	2. Name of each organization or person that was a party to such a contract or agreement.	
5		
6	3. Date of original contract or agreement.	
7	4. Date of each supplement or agreement.	
8	5. Amount of compensation paid during the year for supervision or management . . . . \$	
9	6. To whom paid	
10	7. Nature of payment (salary, traveling expenses, etc.).	
11	8. Amounts paid for each class of service.	
12		
13	9. Basis for determination of such amounts	
14		
15	10. Distribution of payments:	Amount
16	(a) Charged to operating expenses	\$
17	(b) Charged to capital amounts	\$
18	(c) Charged to other account	\$
19	Total	\$
20	11. Distribution of charges to operating expenses by primary accounts	
21	Number and Title of Account	Amount
22		\$
23		\$
24		\$
25	Total	\$
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
27		

\* 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	NONE								
2									
3									
4									
5									
WELLS						Pumping Capacity ..... (Unit) 2	Annual Quantities Pumped 1,000(Unit) 2	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water				
6	1	Imperial	1	16'x507'					
7	2	Brandy	2	20'x525'			165,832		
8	3	Park Avenue	3	12'x702'			90,232		
9	5	Perry	5	10'x425'					
10	4	Compton	4	14'x700'			85,953		
11	6	Lakeridge	6	14'x709'			257,446		
TUNNELS AND SPRINGS				FLOW IN ..... (Unit) 2			Annual Quantities Pumped 1,000(Unit) 2	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum				
11									
12	NONE								
13									
14									
15									
Purchased Water for Resale									
16	Purchased from Stirling Bluffs Corp.								
17	Annual Quantities purchased					(Unit chosen) 1		25,997	
18									
19									
<p>* 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.</p>									

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

Line No	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs			
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal		2,740,000	
12	Concrete			
13	Totals		2,740,000	

**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.		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	Totals								

**A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded**

Capacities in Cubic Feet Per Second or Miner's Inches (state which) \_\_\_\_\_

Line No.		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	Totals								

**B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING**

Line No.		1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast Iron									
12	Cast iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos						3,261		10,420	7,355
19	Welded steel					3,260	30,428		43,253	31,262
20	Galv Iron									
21	Plastic					6,103	29,082		74,633	66,005
22	Totals	0	0	0		9,363	62,771	0	128,306	104,622

**B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Concluded**

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)		Total All Sizes
								1.25		
23	Cast Iron									
24	Cast iron (cement lined)									
25	Concrete									
26	Copper									
27	Riveted steel									
28	Standard screw									
29	Screw or welded casing									
30	Cement - asbestos		3,010	351						24,397
31	Welded steel	16,719		3,239						128,161
32	Galv Iron									
33	Plastic	12,957								188,780
34	Totals	29,676	3,010	3,590				0		341,338

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

Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
Single family residential	4,572	4623		
Commercial and Multi-residential	44	44		
Large water users				
Public authorities	9	10		
Irrigation	3	3		
Other (specify)				
Subtotal	4,628	4680		
Private fire connections				
Public fire hydrants				
Total	4,628	4680	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	4793	xxxxxxxxxxxx
3/4 - in		4793
1 - in	25	25
1.5 - in	10	10
2 - in	8	8
3 - in	2	2
4 - in	2	2
6 - in	1	1
Other		
Total	4841	4841

**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 . . . . .	490
2. More than 10, but less than 15 years . . . . .	135
3. More than 15 years . . . . .	129

**SCHEDULE D-7  
Water delivered to Metered Customers by Months and Years in 1,000 (Unit Chosen)<sup>1</sup> - Gallons**

Classification of Service	During Current Year							Subtotal	
	January	February	March	April	May	June	July		
Single-family residential	22,785	19,319	18,322	27,772	34,491	37,319	51,386	211,394	
Commercial and Multi-residential	984	891	1,034	1,247	1,112	1,169	1,606	8,043	
Large water users									
Public authorities	57	77	93	182	314	364	841	1,928	
Irrigation	728	728	555	735	1,656	2,311	3,426	10,139	
Other (specify)									
Total	24,554	21,015	20,004	29,936	37,573	41,163	57,259	231,504	
Classification of Service	During Current Year						Subtotal	Total	Total Prior Year
	August	September	October	November	December				
Single-family residential	53,142	59,568	40,483	25,235	20,423	198,851	410,245	389,648	
Commercial and Multi-residential	1,720	1,732	1,016	335	814	5,617	13,660	11,709	
Large water users									
Public authorities	1,408	1,772	862	181	271	4,494	6,422	7,816	
Irrigation	5,065	5,110	3,635	1,720	359	15,889	26,028	26,403	
Other (specify)									
Total	61,335	68,182	45,996	27,471	21,867	224,851	456,355	435,576	

<sup>1</sup>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 \_\_\_\_\_



## INDEX

	PAGE	WORK SHEET		PAGE	WORK SHEET
Advances from associated companies -----	12	A-12	Organization and control -----	1	GenInfo
Advances for construction -----	13	A-15	Other assets -----	7	A-4
Assets -----	2	Assets	Other income -----	15	B
Balance sheet -----	2-3	Liabilities	Other paid in capital -----	9	A-8
Capital stock -----	9	A-6	Payables to associated companies -----	12	A-13
Contributions in aid of construction -----	14	A-17	Population served -----	23	D-4
Depreciation and amortization reserves -----	6	A-3	Proprietary capital -----	10	A-10
Declaration -----	24	D-9	Purchased water for resale -----	21	D-1
Deferred taxes -----	13	A-16	Retained earnings -----	10	A-9
Dividends appropriations -----	10	A-9	Service connections-----	23	D-4
Employees and their compensation -----	19	C-1	Sources of supply and water developed --	21	D-1
Engineering and management fees -----	20	C-3	Status with Board of Health -----	24	D-8
Income statement -----	15	Income	Stockholders -----	9	A-7
Liabilities -----	3	Liabilities	Storage facilities -----	21	D-2
Loans to officers, directors, or shareholders --	20	C-2	Taxes-----	18	B-3
Long term debt -----	11	A-11	Transmission and distribution facilities --	22	D-3
Management compensation -----	17	B-2	Unamortized debt discount and expense -	8	A-5
Meters and services -----	23	D-5	Unamortized premium on debt -----	8	A-5
Non-utility property -----	5	A-2	Utility plant -----	4	A-1
Officers -----	1	GenInfo	Water delivered to metered customers ---	23	D-7
Operating expenses -----	17	B-2	Water plant in service -----	4	A-1a
Operating revenues -----	16	B-1	Water plant held for future use -----	5	A-1b