

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2003
ANNUAL REPORT
OF

Easton Estates Water Company
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

5132 N. Palm PMB 114, Fresno, CA 93704
(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)

Received _____

Examined _____

CLASS D
WATER UTILITIES

U# _____

2003
ANNUAL REPORT
OF

Easton Estates Water Company

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

5132 N. Palm PMB 114, Fresno, CA

(OFFICIAL MAILING ADDRESS)

93704

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.

Account Number	Operating Revenue	
470	Metered	1905
460	Unmetered	48018
465	SDWBA Revenue	11169
480	Other Water Revenue	429
	Total Revenue	61521
	Operating Expenses	
610	Purchased Water	0
615	Purchased Power	7333
	Pump Taxes	0
	Purchased Chemicals	0
618	Other Vol. Related exp.	0
630	Employee Labor	0
640	Materials	0
650	Contract Work	5500
	Water Testing	3722
660	Transportation Expense	0
664	Other Plant Maintenance	0
670	Office Salaries	0
671	Management Salaries	0
674	Employee Pensions and Benefits	0
676	Uncollectables	20
678	Office Service and Rentals	2200
681	Office Supplies and Expense	8768
682	Professional Services	12056
684	Insurance	2241
688	Regulatory Expense	0
689	General Expense	1068
	Subtotal	42909
403	Depreciation Expense	8894
	Ad Valorem Taxes	218
	Payroll taxes	0
408	Taxes other than income	0
409	State Income Tax	0
410	Federal Income Tax	0
	Total Deductions	52021
	Net Revenue	9500
	Rate Base	

	Average Plant	144184
	Average Depreciation Reserve	78421
	Net Plant	65763
	Less: Advances	0
	Less: Contributions	0
	Plus: Construction Work in Progress	0
	Plus: Working Cash	0
	Plus: Material & Supplies	0
	Rate Base	65763
	ROR=Net Rev/Rate Base	4%

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Easton Estates Water Company

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

5132 N. Palm PMB 114, Fresno CA 93704

(Official mailing address)

Fresno, Fresno County

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 6/8/1960 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers:

Francis Ferraro-President	
Dovie Ferraro-Vice President	Claudia Stanley-Secretary
- 2 If unincorporated give the name and address of owner or of each partner:

N/A
- 3 Name and telephone number of: Claudia Stanley 559-439-0198
 - (A) One person listed above to receive correspondence: Claudia Stanley 559-439-0198
 - (B) Person responsible for operations and services: George Stanley 559-439-0198
- 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) Yes
 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? Operations & Administration Services
- 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: N/A

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
6	X		2003
7	X		12/31/2003
8	X		1960
9	N/A		
10	N/A		

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year.
Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2003

NAME OF UTILITY Easton Estates Water Company PHONE 559-439-0198

PERSON RESPONSIBLE FOR THIS REPORT Claudia Stanley, Secretary
(Prepared from Information in the 2003 Annual Report)

	1/1/03	12/31/03	Average
BALANCE SHEET DATA			
1 Intangible Plant	1164	1164	1164
2 Land and Land Rights			
3 Depreciable Plant	330284	335630	332957
4 Gross Plant in Service	331448	336794	334121
5 Less: Accumulated Depreciation	127788	136683	132236
6 Net Water Plant in Service	203660	200111	201886
7 Water Plant Held for Future Use	0	0	0
8 Construction Work in Progress	0	0	0
9 Materials and Supplies	0	0	0
10 Less: Advances for Construction	0	0	0
11 Less: Contribution in Aid of Construction	0	0	0
12 Less: Accumulated Deferred Income and Investment Tax Credits	0	0	0
13 Net Plant Investment	203660	200111	201886
CAPITALIZATION			
14 Common Stock	27200	27200	27200
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	0	0	0
17 Retained Earnings	42896	45500	44198
18 Common Stock and Equity (Lines 14 through 17)	70096	72700	71398
19 Preferred Stock	0	0	0
20 Long-Term Debt	160227	155413	157820
21 Notes Payable	67543	60393	63968
22 Total Capitalization (Lines 18 through 21)	297866	288506	293186

(Revised 2/01)

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2003
(continued)

NAME OF UTILITY Easton Estates Water Company PHONE 559-439-0198

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	48018
24	Fire Protection Revenue SDBWA Revenue	11169
25	Irrigation Revenue Other Revenue	429
26	Metered Water Revenue	1905
27	Total Operating Revenue	61521
28	<u>Operating Expenses</u>	42909
29	Depreciation Expense (Composite Rate 2.5%)	2563
30	Amortization and Property Losses SDWBA Amortization	6331
31	Property Taxes	0
32	Taxes Other Than Income Taxes	218
33	Total Operating Revenue Deduction Before Taxes	52021
34	California Corp. Franchise Tax	0
35	Federal Corporate Income Tax	0
36	Total Operating Revenue Deduction After Taxes	52021
37	Net Operating Income (Loss) - California Water Operations	9500
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	56
39	Income Available for Fixed Charges	9556
40	Interest Expense	6953
41	Net Income (Loss) Before Dividends	2603
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	2603

OTHER DATA

44	Refunds of Advances for Construction	0
45	Total Payroll Charged to Operating Expenses	0
46	Purchased Water	0
47	Power	7333

	<u>Active Service Connections</u> (Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	2	2	2
49	Flat Rate Service Connections	103	103	103
50	Total Active Service Connections	105	105	105

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

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent:

Name: WestAmerica Bank
Address: 790 W. Shaw Ave. Fresno, CA 93704
Phone Number: 559-221-2202
Date Hired: 9/5/00

2. Former Fiscal Agent:

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

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

\$11,158.41

4. Summary of the trust bank account activities showing:

Balance at beginning of year	28568.91
Deposits during the year	<u>11214.68</u>
Withdrawals made for loan payments	<u>9866.70</u>
Other withdrawals from this account	<u>0.00</u>
Balance at end of year	<u>29916.89</u>

5. Account information:

Bank Name: WestAmerica Bank
Account Number: 2254-95563-2
Date Opened: 9/13/00

6. Plant amounts included in Schedule A, Account No. 101--Water Plant in Service which were funded using SDWBA 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	3520				3520
7	307	Wells	112856				112856
8	317	Other water source plant	0				0
9	311	Pumping equipment	48118				48118
10	320	Water treatment plant	0				0
11	330	Reservoirs, tanks and sandpipes	25443				25443
12	331	Water mains	0				0
13	333	Services and meter installations	0				0
14	334	Meters	0				0
15	335	Hydrants	0				0
16	339	Other equipment	0				0
17	340	Office furniture and equipment	0				0
18	341	Transportation equipment	0				0
19		Total depreciable plant	189937				189937
20		Total water plant in service	189937				189937

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2003)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	336794	201	Common Stock (Corporations only)	27200
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	45500
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	136683	224	Long term debt	215806
6	114	Water plant acquisition adjustments			Current Liabilities	2890
7	124	Other investments		252	Advances for construction	
8	131	Cash	42726	253	Other deferred credits	11007
9	141	Accounts receivable - customers	6946	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	52620	283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		Total Assets	302403		Total Equity and Liabilities	302403

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	1164				1164
17	303	Land	0				0
18	304	Structures	792				792
19	307	Wells	41158	1755			42913
20	317	Other water source plant	0				0
21	311	Pumping equipment	15641				15641
22	320	Water treatment plant	0				0
23	330	Reservoirs tanks and sandpipes	11518				11518
24	331	Water mains	48811				48811
25	333	Services and meter installations	8611				8611
26	334	Meters	1652				1652
27	335	Hydrants	5860				5860
28	339	Other equipment	0				0
29	340	Office furniture and equipment	6304	3591			9895
30	341	Transportation equipment	189937				189937
31		Total water plant in service	331448	5346	0	0	336794

* 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	77139	50650	A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Accl. 403) and rate.
34	(a) Charged to Account No. 403	2563	6331	Straight Line 2.5%
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	2563	6331	covered by this report \$ 2719
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. Straight Line
44	Total debits	0	0	
45	Balance in reserve at end of year	79702	56981	
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)	27200
2	Preferred - (Shares	, \$	par)	
3	Dividends - Common	Rate - \$		
4	- Preferred	Rate - \$		

List persons owning more than 5% of outstanding stock and number of shares owned by each:

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	SDWBA Loan	1996	2025	192982	155413	3.1775	5053	5053
6								
7								
8	Totals			192982	155413	3.1775	5053	5053

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	XXXXXXXXXX
10	460 Unmetered water revenue	48018
11	462 Fire protection revenue	
12	465 Irrigation revenue SDWBA	11169
13	470 Metered water revenue	1905
14	480 Other water revenue	429
15	Total Operating Revenue	61521
16	Operating revenue deductions	XXXXXXXXXX
17	Operating expenses	XXXXXXXXXX
18	610 Purchased water	
19	615 Power	7333
20	618 Other volume related expenses	
21	630 Employee labor	
22	640 Materials	
23	650 Contract work	9222
24	660 Transportation expenses	
25	664 Other plant maintenance expense	
26	670 Office salaries	
27	671 Management salaries	
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	20
30	678 Office services and rentals	2200
31	681 Office supplies and expense	8768
32	682 Professional services	12056
33	684 Insurance	2241
34	688 Regulatory commission expense	
35	689 General expenses	1069
36	Total Operating Expenses	42909
37	403 Depreciation expense	2563
38	407 SDWBA loan amortization expense	6331
39	408 Taxes other than income taxes	218
40	409 State corporate income tax expense	0
41	410 Federal corporate income tax expense	0
42	Total Operating Revenue Deductions	9112
43	Utility Operating Income	9500
44	421 Non-utility income	56
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	6952
47	Net Income	2604

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
Corner of Cherry & Fantz	1	16	63	730	N/A
Corner of Joy & Anna	1	10	61	510	N/A

OTHER

Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted (Unit)
	Priority right		Diversions		
	Claim	Capacity	Max	Min	
Purchased water (unit)					Annual quantity
Supplier:					

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			
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			

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				
49	670	Office salaries				
50	671	Management salaries				
51		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

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

Size	Meters	Services
5/8 x 3/4-in		
3/4-in		
1-in	1	106
2-in	1	
-in		
Total	2	106

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	

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	1	103	104		3	3	1	106
Industrial	1		1				1	
Other (specify)								
Subtotal	2	103	105		3	3	2	106
Fire protection (Hydrants)								
Total	2	103	105		3	3	2	106

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	Footage				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total			Total					

DECLARATION

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

I, the undersigned officer of Easton Estates Water Company, 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 _____
 Secretary
 Title _____
 Date 3/29/04