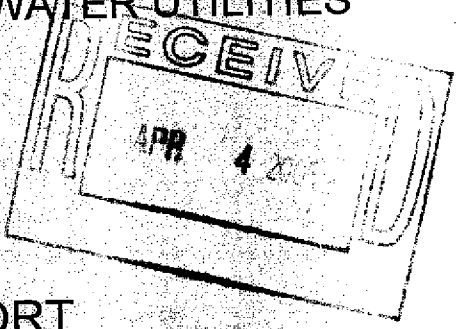


74

Received _____
Examined _____

CLASS D  
WATER UTILITIES



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

2004  
ANNUAL REPORT  
OF

*Lawson Water Co.*

*Lawson Water Co.*

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

*P.O. Box 73785*

*San Clemente, CA 92673*

(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  
ATTN: SEANEEN M WILSON  
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.

N/A

Account Number	Operating Revenue	
470	Metered	
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	
	<b>Total Revenue</b>	
	<b>Operating Expenses</b>	
610	Purchased Water	
615	Purchased Power	
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	
640	Materials	
650	Contract Work	
	Water Testing	
660	Transportation Expense	
664	Other Plant Maintenance	
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	
681	Office Supplies and Expense	
682	Professional Services	
684	Insurance	
688	Regulatory Expense	
689	General Expense	
	<b>Subtotal</b>	
403	Depreciation Expense	
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	
410	Federal Income Tax	
	<b>Total Deductions</b>	
	<b>Net Revenue</b>	
	<b>Rate Base</b>	

N/A

	Average Plant	
	Average Depreciation Reserve	
	Net Plant	
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	<b>Rate Base</b>	
	<b>ROR=Net Rev/Rate Base</b>	

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

*Navasaw Water Co.*

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

*P.O. Box 73785, San Clemente, CA 92673*

(Official mailing address)

*Navasaw Lake, CA - San Bernardino County*

**GENERAL INFORMATION**

**RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES**

- 1 If a corporation show:
  - (A) Date of organization 10/28/60 incorporated in the State of California
  - (B) Names, titles and addresses of principal officers:  
*W.R. Holcomb, President    G.L. Hodges, Secretary P.O. Box 73785  
San Clemente, CA 92673*
- 2 If unincorporated give the name and address of owner or of each partner:  
*G.L. Hodges, Secretary P.O. Box 73785  
San Clemente, CA 92673*
- 3 Name and telephone number of:
  - (A) One person listed above to receive correspondence: *G.L. Hodges (949) 366-3801 office*
  - (B) Person responsible for operations and services: *G.L. Hodges (949) 289-0531 cell*
- 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: *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
	✓	<i>11/01</i>
✓		<i>monthly</i>
✓		<i>1998</i>

- 11 List Name, Grade, and License Number of all Licensed Operators:

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**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.



N/A

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

20\_\_\_\_  
(continued)

NAME OF UTILITY \_\_\_\_\_ PHONE \_\_\_\_\_

**INCOME STATEMENT**

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

**OTHER DATA**

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

Active Service Connections (Exc. Fire Protect.) \_\_\_\_\_

	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections	_____	_____	_____
49 Flat Rate Service Connections	_____	_____	_____
50 Total Active Service Connections	_____	_____	_____





N/A

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

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

1. Current Fiscal Agent:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

2. Former Fiscal Agent:

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: \_\_\_\_\_

N/A

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					
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, 2004)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	463,095	201	Common Stock (Corporations only)	218,491
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	422,577
3	104	Water plant purchased or sold		215	Retained earnings	<290,760>
4	105	Water plant construction work in progress	75,000	218	Proprietary capital	
5	108	Accumulated depreciation of water plant	<176,456>	224	Long term debt	89,500
6	114	Water plant acquisition adjustments			Current Liabilities	21,387
7	124	Other investments		252	Advances for construction	26,000
8	131	Cash	34,533	253	Other deferred credits	
9	141	Accounts receivable - customers	62,201	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	500		depreciation	
12	174	Other current assets	22,546	283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	34,738
14				272	Accumulated amortization of contributions	<34,514>
15		<b>Total Assets</b>	<b>487,419</b>		<b>Total Equity and Liabilities</b>	<b>487,419</b>

**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					
17	303	Land	4,533				4,533
18	304	Structures	14,701				14,701
19	307	Wells	13,021				13,021
20	317	Other water source plant					
21	311	Pumping equipment	49,136				49,136
22	320	Water treatment plant	102,867				102,867
23	330	Reservoirs tanks and sandpipes	118,029				118,029
24	331	Water mains	91,648				91,648
25	333	Services and meter installations	33,090				33,090
26	334	Meters	6,000				6,000
27	335	Hydrants	1,802				1,802
28	339	Other equipment	24,615	1,000			25,615
29	340	Office furniture and equipment	1,470	1,183			2,653
30	341	Transportation equipment					
31		<b>Total water plant in service</b>	<b>460,912</b>	<b>2,183</b>			<b>463,095</b>

\* 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	157,946		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	11,510		STRAIGHT LINE 2.51%
35	(b) Charged to Account No. 272	1,000		
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	12,510		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. STRAIGHT LINE
44	Total debits			MACRS FOR ASSETS
45	Balance in reserve at end of year	170,456		ACQUIRED AFTER 1981
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2004)**

Line	Common - (Shares \$ par)	Preferred - (Shares \$ par)	Dividends - Common Rate - \$	- Preferred Rate - \$	List persons owning more than 5% of outstanding stock and number of shares owned by each:
1					<i>E.L. HODGES 15,266</i>
2					<i>ENERGY PROD &amp; SALES 3328</i>
3					<i>W.R. HOLCOMB 12,396</i>
4					

**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	<i>ENERGY PRODUCTION &amp; SALES CO</i>				<i>89,500</i>			
6								
7								
8	Totals				<i>89,500</i>		<i>0</i>	<i>0</i>

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	XXXXXXXXXX
10	460 Unmetered water revenue	<i>3,000</i>
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	<i>122,757</i>
14	480 Other water revenue	
15	Total Operating Revenue	<i>125,757</i>
16	Operating revenue deductions	XXXXXXXXXX
17	Operating expenses	XXXXXXXXXX
18	610 Purchased water	<i>1,218</i>
19	615 Power	<i>13,629</i>
20	618 Other volume related expenses	
21	630 Employee labor	
22	640 Materials	<i>10,212</i>
23	650 Contract work	<i>17,236</i>
24	660 Transportation expenses	<i>3,252</i>
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	
30	678 Office services and rentals	
31	681 Office supplies and expense	<i>26,159</i>
32	682 Professional services	<i>3,781</i>
33	684 Insurance	<i>8,252</i>
34	688 Regulatory commission expense	
35	689 General expenses	<i>9,795</i>
36	Total Operating Expenses	<i>93,534</i>
37	403 Depreciation expense	<i>11,510</i>
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	<i>3,270</i>
40	409 State corporate income tax expense	<i>2,577</i>
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	<i>110,891</i>
43	Utility Operating Income	<i>14,866</i>
44	421 Non-utility income	<i>21,902</i>
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	<i>199</i>
47	Net Income	<i>36,569</i>

**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

**OTHER**

Streams or springs location of diversion point	Flow in		(Unit) Divisions		Annual quantities diverted (Unit)
	Priority right		Max	Min	
	Claim	Capacity			
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			
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	
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	200	200
3/4-in		
1-in	20	20
-in 1 1/4	1	1
-in		
-in		
Total	221	221

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year	
1 Used, before repair...	0
2 Used, after repair .....	0
3 Fast, requiring refund .....	0
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	207		207	6		6	213	0
Industrial								
Other (specify)								
COMMERCIAL	7		7	1		1	8	0
Subtotal								
Fire protection (Hydrants)								
Total	214		214	7		7	221	0

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 2 1/4 to 4"				Other sizes (specify)	Totals
				2" and under	2 1/4 to 3 1/4	4"			
Concrete			Cast Iron						
Earth			Welded steel						
Wood			Standard screw			6"	8"		
Steel	2	150,000	Cement-asbestos			2630	13,150	2,630 18,410	
Other			Plastic	2630				2,630	
			Other (specify)						
Total	2	150,000	Total	2630		2630	13,150	2,630 21,040	

**DECLARATION**

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

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

From and including JANUARY 1, 2004 to and including DECEMBER 31, 2004

Signed

Title

Date

*Robert J. Hely*  
SECRETARY

MARCH 30, 2005