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CLASS B and C  
WATER UTILITIES

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2000  
ANNUAL REPORT  
OF

\_\_\_\_\_

HILLVIEW WATER COMPANY

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

\_\_\_\_\_

P.O. BOX 2269 OAKHURST, CA 93644

\_\_\_\_\_  
(OFFICIAL MAILING ADDRESS) ZIP

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2000

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2001  
(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.

**GENERAL INFORMATION**

1. Name under which utility is doing business:  
Hillview Water Company

2. Official mailing address:  
P.O. Box 2269 Oakhurst, CA 93644

3. Name and title of person to whom correspondence should be addressed:  
Roger L. Forrester Telephone: (559) 683-4322

4. Address where accounting records are maintained:  
40312 Greenwood Way, Oakhurst, CA 93644

5. Service Area: (Refer to district reports if applicable):  
Oakhurst, CA and portions of Coarsegold and Raymond, CA

6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)

Name: Roger Forrester  
Address: same as above Telephone: (559) 683-4322

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): Hillview Water Company, Inc.  
Organized under laws of (state) California Date: 7/28/78

Principal Officers:  
(Name) Roger Forrester (Title) President  
(Name) Jerry Moore (Title) CFO  
(Name) (Title)  
(Name) (Title)

8. Names of associated companies: n/a

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: n/a  
Date:  
Date:  
Date:

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

**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		<b>UTILITY PLANT</b>			
2	101	Water plant in service	4	5,703,514	5,595,103
3	103	Water plant held for future use	5	0	
4	104	Water plant purchased or sold			
5	105	Water plant construction work in progress		264,291	139,921
6		Total utility plant		5,967,805	5,735,024
7	106	Accumulated depreciation of water plant	6	(1,644,806)	(1,522,935)
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments		(1,644,806)	(1,522,935)
10		Net utility plant		4,322,999	4,212,089
11		<b>INVESTMENTS</b>			
12	121	Non-utility property and other assets	5	0	0
13	122	Accumulated depreciation of non-utility property	6	0	0
14		Net non-utility property		0	0
15	123	Investments in associated companies			
16	124	Other investments			
17		Total investments		0	0
18		<b>CURRENT AND ACCRUED ASSETS</b>			
19	131	Cash		52,074	47,494
20	132	Special accounts		22,930	25,844
21	141	Accounts receivable - customers		96,232	90,313
22	142	Receivables from associated companies			
23	143	Accumulated provision for uncollectible accounts		(1,130)	(1,130)
24	151	Materials and supplies		66,596	64,022
25	174	Other current assets	7	89,553	86,867
26		Total current and accrued assets		326,255	313,410
27	180	Deferred Charges and other Noncurrent Assets		665,468	620,750
28		Total assets and deferred charges		5,314,722	5,146,249

**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	49,500	49,500
3	204	Preferred stock	9	0	0
4	211	Other paid-in capital	9	273,062	273,062
5	215	Retained Earnings	10	(376,194)	(407,852)
6		Total corporate capital and retained earnings		(53,632)	(85,290)
7		<b>PROPRIETARY CAPITAL</b>			
8	218	Proprietary Capital	10		
9	218.1	Proprietary drawings	10		
10		Total Proprietary Capital		0	0
11		<b>LONG-TERM DEBT</b>			
12	224	Long term debt	11	1,401,365	1,412,905
13	225	Advances from associated companies	12	0	0
14		<b>CURRENT AND ACCRUED LIABILITIES</b>			
15	231	Accounts payable		316,605	153,720
16	232	Short term notes payable		348,654	304,252
17	233	Customer deposits		15,982	15,277
18	235	Payables to associated companies	12	0	0
19	236	Accrued taxes		18,164	18,164
20	237	Accrued interest		17,019	14,966
21	241	Other current liabilities	13	540,428	538,929
22		Total current and accrued liabilities		1,256,852	1,045,308
23		<b>DEFERRED CREDITS</b>			
24	252	Advances for construction	13	131,500	138,461
25	253	Other credits	8	775,724	761,342
26	255	Accumulated deferred investment tax credits	13	0	0
27	282	Accumulated deferred income taxes-ACRS depreciation	13	0	0
28	283	Accumulated deferred income taxes-other	13	0	0
29		Total deferred credits		907,224	899,803
30		<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
31	271	Contributions in aid of construction	14	2,814,554	2,798,172
32	272	Accumulated amortization of contributions		(1,011,641)	(924,649)
33		Net contributions in aid of construction		1,802,913	1,873,523
34		Total liabilities and other credits		5,314,722	5,146,249

**SCHEDULE A-1**  
**Account No. 100-Utility Plant**

Line	Acct	Account	Balance Beginning of Year	Plant Additions During Year	Plant Retirements During Year	Other Debits or (Credits)	Balance End of Year
1	101	Water plant in service	5,595,103	167,515	59,023	(81)	5,703,514
2	103	Water plant held for future use					0
3	104	Water plant purchased or sold					0
4	105	Construction work in progress-water plant	139,921	124,370			264,291
5	114	Water plant acquisition adjustments					0
6		Total utility plant	5,735,024	291,885	59,023	(81)	5,967,805

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

Line No.	Acct No.	Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	(2) Other Debits or (Credits) (e)	Balance End of Year (f)
1		<b>NON-DEPRECIABLE PLANT</b>					
2	301	Intangible plant	1,961				1,961
3	303	Land	104,064	18,430			122,494
4		Total non-depreciable plant	106,025	18,430	0	0	124,455
5		<b>DEPRECIABLE PLANT</b>					
6	304	Structures	92,655	604	55		93,204
7	307	Wells	274,223	450			274,673
8	317	Other water source plant	0				0
9	311	Pumping equipment	461,978	24,941	2,747		484,172
10	320	Water treatment plant	261,655	3,471	2,561		262,565
11	330	Reservoirs, tanks and standpipes	697,295	4,541	1,641		700,195
12	331	Water mains	2,687,184	19,883	545		2,706,522
13	333	Services and meter installations	293,279	8,168	506		300,941
14	334	Meters	137,580	5,577	1,186		141,971
15	335	Hydrants	274,166	15,478	0		289,644
16	339	Other equipment	118,246	902	0	(81)	119,067
17	340	Office furniture and equipment	92,547	5,591	0		98,138
18	341	Transportation equipment	98,270	59,479	49,782		107,967
19		Total depreciable plant	5,489,078	149,085	59,023	(81)	5,579,059
20		Total water plant in service	5,595,103	167,515	59,023	(81)	5,703,514

(1) Includes Surcharge Plant of \$ 812,863 at December 31, 2000 and \$ 812,863 at December 31, 1999.

(2) Prior year adjustment.

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

Line No.	Description and Location of Property	Date of Acquisition (b)	Approximate Date When Property Will be Placed in Service (d)	Balance End of Year (e)
1				
2	NONE			
3				
4				
5				
6				
7				
8				
9				
10	Total			0

**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	0

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

Line No.	Item (a)	Account 108 Water Plant (b)	Account 108.1 Surcharge related Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	1,313,610	209,325	0
2	Add: Credits to reserves during year			
3	(a) Charged to Account No.403(Footnote1)	64,410		
4	(b) Charged to Account No. 272	86,992		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered	8,575		
7	(e) All other credits(Footnote2)		20,917	
8	Total credits	159,977	20,917	0
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	59,023		
11	(b) Cost of removal			
12	(b) All other debits(Footnote3)			
13	Total debits	59,023	0	0
14	Balance in reserve at end of year	1,414,564	230,242	0
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE:			
16				3.25%
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19	Amortization of Surcharge Plant	20,917		
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	<input checked="" type="checkbox"/>		
31	(b) Liberalized	<input type="checkbox"/>		
32	(1) Sum of year digits	<input type="checkbox"/>		
33	(2) Double declining balance	<input type="checkbox"/>		
34	(3) Other ACRS/MACRS	<input checked="" type="checkbox"/>		
35	(c) Both straight line and liberalized	<input checked="" type="checkbox"/>		



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

Line No.	Acct. No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1	304	Structures (1)	1,313,610	151,402	59,023	8,575	1,414,564
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 standpipes					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	1,313,610	151,402	59,023	8,575	1,414,564

(1) Hillview Water Co. has not segregated depreciation reserve since all categories are using the same depreciation rates.

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

Line No.	Item (a)	Amount (b)
1		
2	Other receivables	1,097
3	Prepaid expenses	30,146
4	Deferred Income Taxes	54,840
5	Stock dividend receivable	3,470
6		
7		
8		
9		
10	Total	89,553

**SCHEDULE A-13**  
**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 or Debt, particulars of discount and expense of 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 un-amortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.  
 6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of long-term 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									
2	Cobank Surcharge Loan	960,000	4,800	1995	2020	3,936		192	3,744
3	Cobank Loan #1	640,000	3,700	1995	2015	2,868		185	2,683
4									
5									
6									
7		Total	8,500			6,804	0	377	6,427
8									
9									
10									
11									
12									
13									
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21									
22									
23									
24									
25									
26									
27									
28									

**SCHEDULE A-6**  
**Accounts 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 Stock		1,000		990	49,500		NONE
2								
3								
4								
5								
6								
7	Totals		1,000		990	49,500		\$0.00

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

Line No.	COMMON STOCK Name (a)	Number Shares (b)	PREFERRED STOCK Name (c)	Number Shares (d)
1	Roger Forrester	500	n/a	
2	Diane Forrester Moore	490		
3				
4				
5				
6				
7				
8	Total number of shares	990	Total number of shares	0

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

Line No.	Type of Paid in Capital (a)	Balance End of Yr (b)
1	Contributions of Capital by Stockholders	273,062
2		
3		
4	Total	273,062

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

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	(407,852)
2	<b>CREDITS</b>	
3	Net Income	31,658
4	Prior period adjustments -rounding-	0
5		
5	Total credits	31,658
7	<b>DEBITS</b>	
8	Net Losses	0
9	Prior period adjustments	
10	Dividend appropriations-preferred stock	
11	Dividend appropriations-common stock	
12	Total debits	0
13	Balance end of year	(376,194)

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

Line No.	Account (a)	Amount (b)
		N/A
1	Balance beginning of year	0
2	<b>CREDITS</b>	
3	Net Income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total credits	
7	<b>DEBITS</b>	0
8	Net Losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total debits	0
12	Balance end of year	0

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

Line No.	Class (a)	Dates of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
1	CoBank Loan #1	1995	2015	640,000	557,618	9.49%	54,909	54,909
2	CoBank Surcharge Loan	1995	2020	960,000	850,024	variable	84,140	84,140
3	Auto loan	1997	2002		7,235	8.5%	930	930
4	Auto loan	2000	2005		21,292	6.9%	775	775
5	Auto loan	2000	2006		21,550	7.9%	144	144
6	Less Short term portion				(56,354)			
7								
8	Totals				1,401,365		140,898	140,898

See Accompanying Accountant's Compilation Report

**SCHEDULE A-12**

**Account No. 225 Advances from Associated Companies**

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

**SCHEDULE A-13**

**Account No. 235 --Payables to Associated Companies**

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

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

Line No.	Description (a)	Balance End of Year (b)
1	Other customer payables	22,388
2	Refundable fees and interest	363,087
3	Currently refundable advances for construction	33,066
4	Regulatory balancing accounts	121,887
5		
6	Total	540,428

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXX	167,176
2	Additions during year	XXXXXXXXXXXX	0
3	Subtotal-Beginning balance plus additions during year	XXXXXXXXXXXX	167,176
4	Charges during year:	XXXXXXXXXXXX	XXXXXXX
5	Refunds	XXXXXXXXXXXX	XXXXXXX
6	Percentage of revenue basis	0	XXXXXXX
7	Proportionate cost basis	2,610	XXXXXXX
8	Present Worth Basis		XXXXXXX
9	Total refunds	2,610	XXXXXXX
10	Transfers to Acct. 271, CIAC	XXXXXXXXXXXX	XXXXXXX
11	Due to Expiration of Contracts		
12	Due to present worth discount	XXXXXXXXXXXX	
13	Total transfers to Acct. 271		
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - Charges during the year	2,610	
16	Balance end of year		164,566
17	Less Currently refundable portion		(33,066)
18	Balance end of year		131,500

**SCHEDULE A-15**  
**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	Deferred Inc Tax - MACRS		525,475	
2	Deferred Inc Tax - NOL			(54,739)
3	Deferred Inc Tax - Capitalized Interest			(3,400)
4	Deferred Inc Tax - California			(272)
5	Deferred Inc Tax - Unbilled Rev & Expense			9,124
6	Deferred Inc Tax - DWR Excluded Revenue			(105,803)
7	Deferred Inc Tax - Balancing Acct			(41,442)
8	Deferred Inc Tax - Contributions & FAS 109			(443,804)
9	Deferred Inc Tax - Nondeferrable expenses			(53,982)
10	Deferred Inc Tax - Refundable fees			(48,288)
11	Allocation to Deferred Tax Assets		(525,475)	525,475
12	Totals	0	0	(217,131)

**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 the account and credits to Account No. 108, Accumulated depreciation of water plant, over a period equal to the 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. 108. 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), 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 (e)	Depreciation Accrued through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	1,873,523	1,873,523			
2	Add: Credits to account during year					
3	Contributions received during year	20,589	20,589			
4	Other credits*	0				
5	Total credits	20,589	20,589			
6	Deduct: Debits to account during year					
7	Depreciation charges for year	86,992	86,992			
8	Nondepreciable donated property retired	0				
9	Other debits*	4,207	4,207			
10	Total debits	91,199	91,199			
11	Balance end of year	1,802,913	1,802,913	0	0	0

\* Refundable fees to customers paid





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

Line No.	Acct. No.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Changes During Year Show Decrease in (Brackets) (d)
1		<b>WATER SERVICE REVENUES</b>			
2	460	Unmetered water revenue			0
3		460.1 Single-family residential			0
4		460.2 Commercial and multi-residential			0
5		460.3 Large water users			0
6		460.5 Safe Drinking Water Bond Surcharge			0
7		460.9 Other unmetered revenue	6	0	6
8		Subtotal	6	0	6
9	462	Fire protection revenue			
10		462.1 Public fire protection	14,868	15,227	(359)
11		462.2 Private fire protection	0		0
12		Subtotal	14,868	15,227	(359)
13	465	Irrigation revenue			0
14	470	Metered water revenue			0
15		470.1 Single family residential	739,812	740,890	(1,078)
16		470.2 Commercial and multi-residential			0
17		470.3 Large water users			0
18		470.5 Safe Drinking Water Bond Surcharge	78,052	69,641	8,411
19		470.9 Other metered revenue			0
20		Subtotal	817,864	810,531	7,333
21		Total water service revenues	832,738	825,758	6,980
22	480	Other water revenue	67,007	50,602	16,405
23		Total operating revenue	899,745	876,360	23,385



**SCHEDULE B-3**

Account No. 408,409,410 --Taxes Charged During Year

Line No.	Type of Tax (a)	Distribution of Taxes Charged	
		Water (c)	Nonutility (d)
1	Taxes on real and personal property	19,260	
2	State corp. franchise tax	800	
3	State unemployment insurance tax	2,053	
4	Other state and local taxes	0	
5	Federal unemployment insurance tax	480	
6	Federal insurance contributions act	13,222	
7	Other federal taxes -Medicare	3,092	
8	Federal income tax - deferred	22,532	
9	Prior year income tax adjustment	0	0
10		0	0
11	Totals	61,439	0

**SCHEDULE B-4**

**Reconciliation of Reported Net Income With Taxable Income for Federal 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	31,658
2	Reconciling amounts (list first additional income and unallowable deductions, followed by	
3	additional deductions and non-taxable income):	
4	Federal Income tax expense	22,532
5	California income tax expense	800
6	Deferred surcharge revenue	64,461
7	Balancing account adjustments	13,386
8	Gain on sale of utility property in excess of books	8,575
9	Nondeductible expenses	73,636
10	Cash surrender amount of life insurance	(34,168)
11	Amortization of regulatory liability/balancing accounts	(52,528)
12	Prior year CA Inc tax	(800)
13	Adjust to tax depreciation	(7,880)
14	NOL carryforward	(119,672)
15	Federal tax net income	0
16	Computation of tax: Tax payable	0
17	Deferred taxes 22,532	22,532
18	Total booked federal taxes	22,532
19		

**SCHEDULE B-5**  
**Account 421 and 426 - Income from Nonutility Operations**

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1	Interest Income	21,558		21,558
2	CoBank patronage dividend	11,565		11,565
3	Life insurance cash surrender value & other	36,981		36,981
4	Charitable contributions, donations and other		4,684	(4,684)
4				
5	Totals	70,104	4,684	65,420

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

Line No.	Description (a)	Amount (b)
1	Long term debt	140,898
2	Short term debt and other	31,196
3	Interest on refundable fees	15,412
4		
5		
6		
7		
8		
9	Totals	187,506

**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 Chg to Exp (c)	Salaries Chg to Plant (d)	Total Salaries and Wages Pd (e)
1	630	Employee Labor	4	72,868		72,868
2	670	Office Salaries (1)	3	83,630		83,630
3	671	Management Salaries	1	47,650		47,650
4	674	Employee Benefits (Vacation, bonus, & sick pay)		10,366		10,366
5	800	Capitalized Payroll (incl overhead costs)		(6,753)	6,753	0
6		Total	8	207,761	6,753	214,514

(1) Includes part time employee

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

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (f)	Security Given (g)	Date of Shareholder Authorization (h)	Other Information (i)
1								
2	none							
3								
4								
5								
6								
7	Total		0					

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

	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.	
Line No.		
1	1. Did the respondent have a contract or other agreement with any organization or person covering supervision and/or management of its own affairs during the year? Answer: (Yes or No.)	<b>NO</b>
2	(If the answer is in the affirmative, make appropriate replies to the following questions.)	
3	2. Name of each organization or person that was a party to such a contract or agreement.	
4		
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 accounts	
18	(c) Charged to other accounts	
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		

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

STREAMS			FLOW IN _____ (Unit) <sup>2</sup>				Annual Quantities Diverted  (Unit) <sup>2</sup>	Remarks
Line No. Diverted Into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
			Ctalm	Capacity	Max	Min		
1	N/A							
<b>WELLS</b>								
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water	Pumping Capacity  (Unit) <sup>2</sup>	Annual Quantities Pumped (Unit) <sup>2</sup>	Remarks
6	See Attached Schedule							
7								
8								
9								
10								
<b>TUNNELS AND SPRINGS</b>								
Line no	Designation	Location	Number	Maximum	Minimum	FLOW IN (Unit) <sup>2</sup>		Remarks
						Quantities Used (Unit) <sup>2</sup>		
11								
12	N/A							
13								
14								
15								
<b>Purchased Water for Resale</b>								
16	Purchased from	N/A						
17	Annual quantities purchased						(Unit chosen) <sup>1</sup>	cu. feet
18								

\*State ditch, pipe line, reservoir, etc., with name, if any.

<sup>1</sup>Average depth to water surface below ground surface.

<sup>2</sup>The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second, in gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.

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

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
20	A. Collecting Reservoirs	4	91,800	Steel Forebay Tanks
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution reservoirs			
25	Concrete	3	579,000	In ground concrete
26	Earth			
27	Wood			
28	C. Tanks	12	29,100	Steel Pressure Tanks
29	Wood			
30	Metal	24	1,459,700	Steel Above-ground Tanks
31	Concrete			
32	Totals	43	2,159,800 gal.	

**SCHEDULE D-3**  
Description of Transmission and Distribution Facilities

**A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES**

1	
2	NONE
3	
4	
5	

**A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Concluded)**

1	
2	NONE
3	
4	
5	

**B. FOOTAGES OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING <sup>(A)</sup>**

Line No.		1	1.5	2	2.5	3	4	5	6	8
11	Cast Iron					18	128		172	296
12	Cast Iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement-asbestos			863		4,800	8,855		5,590	240
19	Welded steel						1,040		5,560	195
20	Galvanized			8,140						
21	Other(specify) PVC	6,401	5,601	50,146		15,951	57,460		54,589	31,921
22	Totals	6,401	5,601	59,149	0	20,769	67,483	0	65,911	32,652

**B. FOOTAGES OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING <sup>(A)</sup>**

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)		Totals All Sizes
23	Cast Iron/Ductile Iron	414	689							1,717
24	Cast Iron (cement lined)									0
25	Concrete									0
26	Copper									0
27	Riveted steel									0
28	Standard screw									0
29	Screw or welded casing									0
30	Cement-asbestos									20,348
31	Welded steel	190	146							7,131
32	Galvanized									8,140
33	Other-PVC	13,034	25,937							261,040
34	Totals	13,638	26,772	0	0	0	0	0	0	298,376



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

Classification	Metered-Dec.31		Flat Rate-Dec.31	
	Prior Year	Current Year(a)	Prior Year	Current Year
Single family residential	1,004	1,030		
Commercial	293	295		
Large water users				
Public authorities				
Irrigation				
Other (specify) Breakdown not avail				
Sub-total	1,297	1,325	0	0
Private fire connections			114	123
Public fire hydrants			125	125
Total	1,297	1,325	239	248

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

Size	Meters	Services
5/8 x 3/4-in.		XXXXXXXX
3/4-in.	1,197	
1-in.	56	
1-1/2-in.	33	
2-in.	35	
3-in.	3	
6-in.	1	
-in.	0	
-in.	0	
Other		
Total	1,325	0

**SCHEDULE D-6**

**Meter Testing Data**

<b>A. Number of Meters Tested During Year as Prescribed</b>	
1. New, after being received . . . . . Tested by manufacturer	0
2. Used, before repair . . . . .	8
3. Used, after repair . . . . .	0
4. Found fast, requiring billing adjustment . . . . .	0
<b>B. Number of Meters in Service Since Last Test.</b>	
1. Ten years or less . . . . .	
2. More than 10, but less than 15 years . . . . .	
3. More than 15 years . . . . .	

**SCHEDULE D-7  
Water delivered to Metered Customers by Months and Years In Ccf (Unit Chosen)<sup>1</sup> (a)**

Classification of Service	During Current Year							Subtotal
	January	February	March	April	May	June		
Single Family Residential	15,337	12,829	13,245	23,432	23,355	31,416	119,414	
Commercial							0	
Industrial							0	
Public Auth.							0	
Irrigation							0	
Other							0	
Reclaimed Water							0	
Total	15,337	12,829	13,245	23,432	23,355	31,416	119,414	

Classification of Service	During Current Year							Subtotals	Total	Total Prior Year
	July	August	September	October	November	December				
Single Family residential	35,709	35,734	31,164	27,024	18,486	15,299	163,416	282,830	291,158	
Commercial							0	0	0	
Industrial							0	0	0	
Public Auth.							0	0	0	
Irrigation							0	0	0	
Other							0	0	0	
Reclaimed Water							0	0	0	
Total	35,709	35,734	31,164	27,024	18,486	15,299	163,416	282,830	291,158	

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

Total acres irrigated: N/A Total population served 3,975 est

(a) Breakdown of service class not available

**SCHEDULE D-8  
Status With State Board of Public Health**

1. Has the State or Local Health Department reviewed the sanitary condition of your water system during the past year?	Yes
2. Are you having routine laboratory tests made of water served to your consumers?	Yes
3. Do you have a permit from the State Board of Public Health for operation of your water system?	Yes
4. Date of Permit: 12/96, 8/14/86, 11/84, 2/28/90	5. If permit is "temporary" what is the expiration date?
6. If you do not hold a permit has an application been made for such permit?	7. If so, on what date?

**SCHEDULE D-9  
Statement of Material Financial Interest**

Use this space to report the information required by Section 2 of General Order No. 104-A. If no material financial interest existed during the year or contemplated at the end of the year, such fact shall be so stated. If additional space is required, attach a supplementary statement with reference made thereto.

Hillview Water Company has no financial interest in any other company.

**DECLARATION**  
Before Signing Please Check to See That All Schedules Have Been Completed  
(See Instruction 5 on front cover)

I, the undersigned Roger L. Forrester of Hillview Water Company, Inc. 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 operation of its property for the period from and including January 1, 1999, to and including December 31, 1999.

Signed Roger L. Forrester  
 Title President  
 Date 9/28/01

**ATTACHMENT TO 1998 ANNUAL REPORT, C.P.U.C.  
HILLVIEW WATER CO., INC.  
OAKHURST, CA**

DISTRICT	LOCATION	WELL DATA		DEPTH TO WATER (FEET)	PUMPING CAPACITY (GPM)	ANNUAL QUANTITY PUMPED (CCF)
		NO.	DIAMETER (INCHES)			
A	Yosemite High School	2	8 5/8	45	11	2,743
A	Yosemite High School	3	8 5/8	47	25	3,091
A	Dilton	1	8 5/8	53	30	36,460
A	Dilton	2	8 5/8	53	125	37,278
A	Dilton	3	8 5/8	106	60	13,308
A	Dilton	4	8 5/8	141	50	14,419
A	Pierce Lake	1	8 5/8	42	47	3,323
A	Highland View	1	8 5/8		10	Inactive
A	Junction	1	8 5/8	53	15	5,113
A	Highland View	2	8 5/8		22	0
B	Coarsegold Highlands	1	6	110	75	3,677
D	Hillview (Next To Reservoir)	1	7	88	5	2,123
D	Miami Creek	1	6 5/8		70	Inactive
D	River Creek	1	8 5/8	41	18	542
D	River Creek	2	8 5/8	45	18	323
D	Goldside (Most Northern)	1	6 5/8	95	5	Inactive
D	Goldside (Most Southern)	3	6 5/8	51	10	Inactive
D	Goldside (Middle)	2	8 5/8	59	12	Inactive
D	Goldside (25' South Of #3)	4	8 5/8	58	52	18,423
D	Goldside	5	8 5/8	New	6	Inactive
D	Goldside	6	6 5/8		90	21,987
F	Sierra Lakes	1A	8 5/8	115	200	51,817
F	Sierra Lakes	3	8 5/8	58	150	55,850
F	Sierra Lakes	4	8 5/8	72	330	48,449
G	Raymond (East Property)	2	6	45	5	2,374
G	Raymond (Storage)	5	6	35	1.5	554
G	Raymond (Storage)	6	6	35	0.5	Inactive
G	Raymond (East Property)	7	6	46	6	494
G	Raymond	8	6 5/8	71	20	4,844
G	Raymond	9	6 5/8		4	Inactive
G	Raymond (East Property)	10	6 5/8			3,498

**SELECTED FINANCIAL DATA - CLASS A, B, C, AND D WATER COMPANIES  
2000**

NAME OF UTILITY: HILLVIEW WATER COMPANY

PHONE: 559-683-4322

PERSON RESPONSIBLE FOR THIS REPORT ROGER FORRESTER  
(Prepared from Information in the 2000 Annual Report)

BALANCE SHEET DATA		Jan. 1, 2000	Dec. 31, 2000	Average
1	Intangible Plant	1,961	1,961	1,961
2	Land	104,064	122,494	113,279
3	Depreciable Plant	5,489,078	5,579,059	5,534,069
4	Gross Plant In Service	5,595,103	5,703,514	5,649,309
5	Less: Accum. Depreciation	(1,522,935)	(1,644,806)	(1,583,871)
6	Net Water Plant In Service	4,072,168	4,058,708	4,065,438
7	Water Plant Held for Future Use	0	0	0
8	Construction Work In Progress	139,921	264,291	202,106
9	Materials and Supplies	64,022	66,596	65,309
10	Less: Advances for Construct.	(167,176)	(164,566)	(165,871)
11	Contrib. in Aid of Constr.	(1,873,523)	(1,802,913)	(1,838,218)
12	Accum. Deferred Inc. Tax Credits	237,215	217,131	227,173
13	Net Plant Investment	2,472,627	2,639,247	2,555,937

CAPITALIZATION

14	Common Stock	49,500	49,500	49,500
15	Proprietary Capital (Ind. or Part)	0	0	0
16	Paid-in Capital	273,062	273,062	273,062
17	Retained Earnings	(407,852)	(376,194)	(392,023)
18	Common Equity (14 through 17)	(85,290)	(53,632)	(69,461)
19	Preferred Stock	0	0	0
20	Long-Term Debt (includes current portion)	1,457,357	1,457,719	1,457,538
21	Notes Payable			0
22	Total Capitalization (Lines 18 thru 21)	1,372,067	1,404,087	1,388,077

NAME OF UTILITY: HILLVIEW WATER COMPANY

PHONE: 559-683-4322

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	6
24	Fire Protection Revenue	14,868
25	Irrigation Revenue	0
26	Metered Water Revenue	884,871
27	Total Operating Revenue	<u>899,745</u>
28	Total Operating Expenses	599,235
29	Depreciation Expense (Composite Rate 3.25%)	64,410
30	Amortization and Property Losses	20,917
31	Property Taxes	19,260
32	Taxes Other Than Income Taxes	18,847
33	Total Operating Rev. Deductions Before Taxes	<u>722,669</u>
34	Calif. Corp. Franchise Tax	800
35	Fed. Corporate Income Tax	22,532
36	Total Operating Revenue Deduction After Taxes	<u>746,001</u>
37	Net Operating Income/(Loss)(Calif. Water Operations)	153,744
38	Other Oper. and Nonoper. Inc/Exp. - Net (Excl. Interest Exp.)	65,420
39	Income Available for Fixed Charges	<u>219,164</u>
40	Interest Expense	<u>(187,506)</u>
41	Net Income/(Loss) Before Dividends	31,658
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	<u><u>31,658</u></u>

OTHER DATA

44	Refunds of Advances for Construction	2,610
45	Total Payroll Charged to Operating Expenses	<u>207,761</u>
46	Purchased Water	0
47	Power	<u>83,211</u>

Active Serv. Connections(Excl. Fire Protect.)		Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	1,297	1,325	1,311
49	Flat Rate Service Connections	0	0	0
50	Total Active Service Connections	<u>1,297</u>	<u>1,325</u>	<u>1,311</u>

(Revised 10/97)

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

Please provide the following information related to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period.

1      Current Fiscal Agent:                    **SDWBA loan was refinanced in 1995 and replaced with CoBank loan.**

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 bank account activity 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-1a, 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	1,452				1,452
3	303	Land					0
4		Total non depreciable plant	1,452	0	0	0	1,452
5		DEPRECIABLE PLANT					0
6	304	Structures					0
7	307	Wells	57,890				57,890
8	317	Other water source plant					0
9	311	Pumping equipment	37,569				37,569
10	320	Water treatment plant	13,888				13,888
11	330	Reservoirs, tanks & sandpipes	97,512				97,512
12	331	Water mains	341,344				341,344
13	333	Services and meter install	10,910				10,910
14	334	Meters					0
15	335	Hydrants					0
16	339	Other equipment					0
17	340	Office furniture and equipment					0
18	341	Transportation equipment					0
19		Total depreciable plant	559,113	0	0	0	559,113
20		Total water plant in service	560,565	0	0	0	560,565

## 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.



**PEASLEY, ALDINGER & O'BYMACHOW**  
**AN ACCOUNTANCY CORPORATION**

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HUNTINGTON BEACH, CALIFORNIA 92648

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CHRISTIAN L. ALDINGER, CPA  
MARA ROSSI O'BYMACHOW, CPA

(714) 536-4418  
FAX (714) 536-2039

Accountant's Compilation Report

September 25, 2001

To the Board of Directors  
Hillview Water Company, Inc.  
Oakhurst, California 93644

We have compiled the balance sheets of Hillview Water Company, Inc. (a California corporation) as of December 31, 2000 and 1999, and the related income statements for the years then ended, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information included on pages 4 (Schedule A-1) through 14 (Schedule A-17), pages 16 (Schedule B-1) through 20 (Schedule C-2), and pages 1 through 4 of Selected Financial Data - Class A, B, C, and D Water Companies 2000, and Class B, C, and D Water Companies Safe Drinking Water Bond Act Data.

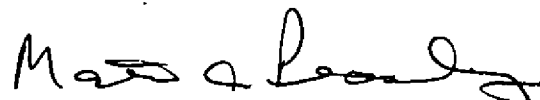
Our compilation was limited to presenting in the form prescribed by the Public Utilities Commission of the State of California information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them. The 1999 financial statements were compiled by us from a balance sheet previously audited, as of December 31, 1999, and from statements of income, stockholder's equity (deficit), and cash flows, previously audited, for the year then ended, as indicated in our report dated May 17, 2000. Our audit report of the balance sheet as of December 31, 1999, was qualified for the effects of any adjustments that might be necessary to the carrying value of utility plant, because adequate records were not available for our examination. Also, our audit report contained an explanatory paragraph that the financial statements were prepared assuming that the Company will continue as a going concern, however, due to a current investigation by the Public Utilities Commission of the State of California, and due to being in default regarding terms of the Company's loan agreements, substantial doubt has been raised about the Company's ability to continue as a going concern. The explanatory paragraph continued to explain that the financial statements do not include any adjustments that might result from the outcome of the uncertainty.

These financial statements (including related schedules) are presented in accordance with the requirements of the Public Utilities Commission of the State of California, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The supplementary information contained on page 1 (General Information) and page 20 (Schedule C-3) through page 24 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

We are not independent with respect to Hillview Water Company, Inc.

PEASLEY, ALDINGER & O'BYMACHOW  
AN ACCOUNTANCY CORPORATION



Matt A. Peasley  
Certified Public Accountant

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