

Received _____

Examined _____

CLASS B and C
WATER UTILITIES

U# _____

2001
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, 2001

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2002
(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.

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
2001**

NAME OF UTILITY: HILLVIEW WATER COMPANY

PHONE: 559-683-4322

PERSON RESPONSIBLE FOR THIS REPORT ROGER FORRESTER

(Prepared from Information in the 2001 Annual Report)

BALANCE SHEET DATA

	Jan. 1, 2001	Dec. 31, 2001	Average
1 Intangible Plant	1,961	1,961	1,961
2 Land	122,494	125,494	123,994
3 Depreciable Plant	5,579,059	5,669,061	5,624,060
4 Gross Plant In Service	5,703,514	5,796,516	5,750,015
5 Less: Accum. Depreciation	(1,644,806)	(1,829,768)	(1,737,287)
6 Net Water Plant In Service	4,058,708	3,966,748	4,012,728
Water Plant Held for Future Use	0	0	0
8 Construction Work In Progress	264,291	271,711	268,001
9 Materials and Supplies	66,596	68,889	67,743
10 Less: Advances for Construct.	(164,566)	(161,955)	(163,261)
11 Contrib. in Aid of Constr.	(1,802,913)	(1,731,687)	(1,767,300)
12 Accum. Deferred Inc. Tax Credits	217,131	217,312	217,222
13 Net Plant Investment	2,639,247	2,631,018	2,635,133

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	(376,194)	(399,136)	(387,665)
18 Common Equity (14 through 17)	(53,632)	(76,574)	(65,103)
19 Preferred Stock	0	0	0
20 Long-Term Debt	1,401,365	1,355,309	1,378,337
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 thru 21)	1,347,733	1,278,735	1,313,234

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

2001

NAME OF UTILITY: HILLVIEW WATER COMPANY

PHONE: 559-683-4322

INCOME STATEMENT

Annual
Amount

23	Unmetered Water Revenue	83
24	Fire Protection Revenue	16,059
25	Irrigation Revenue	0
26	Metered Water Revenue	945,037
27	Total Operating Revenue	<u>961,179</u>
28	Total Operating Expenses	704,399
29	Depreciation Expense (Composite Rate 2.72%)	64,555
30	Amortization and Property Losses	40,524
31	Property Taxes	35,348
32	Taxes Other Than Income Taxes	20,054
33	Total Operating Rev. Deductions Before Taxes	<u>864,880</u>
34	Calif. Corp. Franchise Tax	800
35	Fed. Corporate Income Tax	<u>(30,823)</u>
36	Total Operating Revenue Deduction After Taxes	834,857
37	Net Operating Income/(Loss)(Calif. Water Operations)	126,322
38	Other Oper. and Nonoper. Inc/Exp. - Net (Excl. Interest Exp.)	22,157
39	Income Available for Fixed Charges	148,479
40	Interest Expense	<u>(171,421)</u>
41	Net Income/(Loss) Before Dividends	<u>(22,942)</u>
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	<u><u>(22,942)</u></u>

OTHER DATA

44	Refunds of Advances for Construction	2,611
45	Total Payroll Charged to Operating Expenses	<u>217,248</u>
46	Purchased Water	0
47	Power	<u>129,921</u>

Active Serv. Connections(Excl. Fire Protect.)

	Jan. 1	Dec. 31	Annual Average	
48	Metered Service Connections	1,325	1,371	1,348
49	Flat Rate Service Connections	0	0	0
50	Total Active Service Connections	1,325	1,371	1,348

**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:

Name: SDWBA loan was refinanced in 1995: replaced with CoBank loan
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	\$ _____	0
Deposits during the year		0
Withdrawals made for loan payments		0
Other withdrawals from this account		
Balance at end of year		0

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:

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

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

none

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:

none

Date:

Date:

Date:

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

none

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	5,796,516	5,703,514
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		271,711	264,291
6		Total utility plant		6,068,227	5,967,805
7	106	Accumulated depreciation of water plant	6	(1,829,768)	(1,644,806)
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments		(1,829,768)	(1,644,806)
10		Net utility plant		4,238,459	4,322,999
11		INVESTMENTS			
12	121	Non-utility property and other assets	5	0	
13	122	Accumulated depreciation of non-utility property	6	0	
14		Net non-utility property		0	0
15	123	Investments in associated companies			
16	124	Other investments			
17		Total investments		0	0
18		CURRENT AND ACCRUED ASSETS			
19	131	Cash		3,301	52,074
20	132	Special accounts		27,924	22,930
21	141	Accounts receivable - customers		91,540	96,232
22	142	Receivables from associated companies			
23	143	Accumulated provision for uncollectible accounts		(1,130)	(1,130)
24	151	Materials and supplies		68,889	66,596
25	174	Other current assets	7	12,855	89,553
26		Total current and accrued assets		203,379	326,255
27	180	Deferred Charges and other Noncurrent Assets		607,043	665,468
28		Total assets and deferred charges		5,048,881	5,314,722

**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 ©	Balance Beginning of Year (d)
1		CORPORATE CAPITAL AND SURPLUS			
2	201	Common stock	9	49,500	49,500
3	204	Preferred stock	9	0	
4	211	Other paid-in capital	9	273,062	273,062
5	215	Retained Earnings	10	(399,136)	(376,194)
6		Total corporate capital and retained earnings		(76,574)	(53,632)
7		PROPRIETARY CAPITAL			
8	218	Proprietary Capital	10	0	
9	218.1	Proprietary drawings	10		
10		Total Proprietary Capital		0	0
11		LONG-TERM DEBT			
12	224	Long term debt	11	1,355,309	1,401,365
13	225	Advances from associated companies	12	0	0
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		413,093	316,605
16	232	Short term notes payable		374,246	348,654
17	233	Customer deposits		13,129	15,982
18	235	Payables to associated companies	12	0	0
19	236	Accrued taxes		3,362	18,164
20	237	Accrued interest		3,830	17,019
21	241	Other current liabilities	13	504,924	540,428
22		Total current and accrued liabilities		1,312,584	1,256,852
23		DEFERRED CREDITS			
24	252	Advances for construction	13	120,187	131,500
25	253	Other credits	8	823,000	775,724
26	255	Accumulated deferred investment tax credits	13	21,431	
27	282	Accumulated deferred income taxes-ACRS depreciation	13	0	
28	283	Accumulated deferred income taxes-other	13	(238,743)	0
29		Total deferred credits		725,875	907,224
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	14	2,835,135	2,814,554
32	272	Accumulated amortization of contributions		(1,103,448)	(1,011,641)
33		Net contributions in aid of construction		1,731,687	1,802,913
34		Total liabilities and other credits		5,048,881	5,314,722

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	5,703,514	104,919	11,917		5,796,516
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	264,291	7,420			271,711
5	114	Water plant acquisition adjustments					0
6		Total utility plant	5,967,805	112,339	11,917	0	6,068,227

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)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant	1,961				1,961
3	303	Land	122,494	3,000			125,494
4		Total non-depreciable plant	124,455	3,000	0	0	127,455
5		DEPRECIABLE PLANT					
6	304	Structures	93,204				93,204
7	307	Wells	274,673	12,270			286,943
8	317	Other water source plant	0				0
9	311	Pumping equipment	484,172	35,974	9,782		510,364
10	320	Water treatment plant	262,565	1,006			263,571
11	330	Reservoirs, tanks and standpipes	700,195				700,195
12	331	Water mains	2,706,522	28,049	230		2,734,341
13	333	Services and meter installations	300,941	13,018	477		313,482
14	334	Meters	141,971	6,762	1,407		147,326
15	335	Hydrants	289,644	4,112			293,756
16	339	Other equipment	119,067	728	21		119,774
17	340	Office furniture and equipment	98,138				98,138
18	341	Transportation equipment	107,967				107,967
19		Total depreciable plant	5,579,059	101,919	11,917	0	5,669,061
20		Total water plant in service	5,703,514	104,919	11,917	0	5,796,516

(1) Includes Surcharge Plant of \$812,863 at December 31, 2001 and 2000.

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		
3	NONE	
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 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	1,414,564	230,242	
2	Add: Credits to reserves during year			
3	(a) Charged to Account No.403(Footnote1)	64,555		
4	(b) Charged to Account No. 272	91,807		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered	213		
7	(e) All other credits(Footnote2)	2,039	40,524	
8	Total credits	158,614	40,524	0
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	11,918		
11	(b) Cost of removal	219		
12	(b) All other debits(Footnote3)		2,039	
13	Total debits	12,137	2,039	0
14	Balance in reserve at end of year	1,561,041	268,727	0
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE:			
16				2.72%
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18	Amortization of surcharge plant	40,524		
19	Prior year adjustment	2,039		
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS			
24	Prior year adjustment	2,039		
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)	1,414,564	158,401	11,918	(6)	1,561,041
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	1,414,564	158,401	11,918	(6)	1,561,041

(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	Other receivables	4,572
2	Prepaid expenses	8,283
3		
4		
5		
6		
7		
8		
9		
10	Total	12,855

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 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 unamortized 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	CoBank Surcharge Loan	960,000	4,800	1995	2020	3,744		192	3,552
2	CoBank Loan #1	640,000	3,700	1995	2015	2,683		185	2,498
3									
4									
5									
6									
7						6,427	0	377	6,050
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
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		
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	(376,194)
2	CREDITS	
3	Net Income	(22,942)
4	Prior period adjustments	
5		
5	Total credits	(22,942)
7	DEBITS	
8	Net Losses	
9	Prior period adjustments	
10	Dividend appropriations-preferred stock	
11	Dividend appropriations-common stock	
12	Total debits	0
13	Balance end of year	(399,136)

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	
2	CREDITS	
3	Net Income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total credits	0
7	DEBITS	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	536,971	9.49%	52,572	52,816
2	CoBank Surcharge Loan	1995	2020	960,000	809,500	variable	77,253	77,852
3	Auto loan	1997	2002		2,219	8.50%	423	423
4	Auto loan	2000	2005		17,095	6.90%	1,338	1,338
5	Auto loan	2000	2006		17,798	7.90%	1,569	1,569
6	SRF liability	2001	pending	25,000	23,672	0.00%	0	0
7								
8	Less: Short term portion				(51,946)			
9	Totals				1,355,309		133,155	133,998

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	Accrued benefits	727
2	Refundable fees and interest	375,175
3	Currently refundable advances for construction	41,765
4	Regulatory balancing accounts	87,257
5		
6		
7	Total	504,924

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXX	164,566
2	Additions during year	XXXXXXXXXXXX	
3	Subtotal-Beginning balance plus additions during year	XXXXXXXXXXXX	164,566
4	Charges during year:	XXXXXXXXXXXX	XXXXXXXX
5	Refunds	XXXXXXXXXXXX	XXXXXXXX
6	Percentage of revenue basis	2,056	XXXXXXXX
7	Proportionate cost basis	555	XXXXXXXX
8	Present Worth Basis		XXXXXXXX
9	Total refunds	2,611	XXXXXXXX
10	Transfers to Acct. 271, CIAC	XXXXXXXXXXXX	XXXXXXXX
11	Due to Expiration of Contracts		
12	Due to present worth discount	XXXXXXXXXXXX	
13	Total transfers to Acct. 271	0	
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - Charges during the year	2,611	
16	Balance end of year		161,955
17	Less Currently refundable portion		(41,768)
16	Balance end of year		120,187

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 Income taxes - depreciation		0	475,355
2	Deferred Income taxes - FAS 109	0		(185,907)
3	Deferred Income taxes - other			(528,191)
4	Deferred ITC	21,431		
5	Totals	21,431	0	(238,743)

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	2,814,554	2,814,554			
2	Add: Credits to account during year					
3	Contributions received during year	20,581	20,581			
4	Other credits*					
5	Total credits	20,581	20,581			
6	Deduct: Debits to account during year					
7	Depreciation charges for year	0				
8	Nondepreciable donated property retired					
9	Other debits*	0	0			
10	Total debits	0	0			
11	Balance end of year	2,835,135	2,835,135	0	0	0

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		WATER SERVICE REVENUES			
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	83	6	77
8		Subtotal	83	6	77
9	462	Fire protection revenue			
10		462.1 Public fire protection	16,059	14,868	1,191
11		462.2 Private fire protection			0
12		Subtotal	16,059	14,868	1,191
13	465	Irrigation revenue			0
14	470	Metered water revenue			0
15		470.1 Single family residential	759,081	739,812	19,269
16		470.2 Commercial and multi-residential			0
17		470.3 Large water users			0
18		470.5 Safe Drinking Water Bond Surcharge	94,326	78,052	16,274
19		470.9 Other metered revenue			0
20		Subtotal	853,407	817,864	35,543
21		Total water service revenues	869,549	832,738	36,811
22	480	Other water revenue	91,630	67,007	24,623
23		Total operating revenue	961,179	899,745	61,434

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceeding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
1		PLANT OPERATION AND MAINTENANCE EXPENSES			
2		VOLUME RELATED EXPENSES			
3	610	Purchased Water			0
4	615	Power	129,921	83,211	46,710
5	618	Other volume related expenses	17,870	13,565	4,305
6		Total volume related expenses	147,791	96,776	51,015
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee Labor	85,307	72,868	12,439
9	640	Materials	11,420	12,373	(953)
10	650	Contract work	42,386	21,025	21,361
11	660	Transportation expenses	22,402	34,125	(11,723)
12	664	Other plant maintenance expenses	3,174	5,959	(2,785)
13		Total non-volume related expenses	164,689	146,350	18,339
14		Total plant operation and maintenance exp.	312,480	243,126	69,354
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	65,825	83,630	(17,805)
17	671	Management salaries	76,833	47,650	29,183
18	674	Employee pensions and benefits	27,996	38,523	(10,527)
19	676	Uncollectible accounts expense	308	687	(379)
20	678	Office services and rentals	3,713	3,192	521
21	681	Office supplies and expenses	58,890	55,324	3,566
22	682	Professional services	10,957	60,453	(49,496)
23	684	Insurance	17,914	17,143	771
24	688	Regulatory commission expenses	11,501	0	11,501
25	689	General expenses	128,699	56,260	72,439
26		Total administrative and general expenses	402,636	362,862	39,774
27	800	Expenses capitalized	(10,717)	(6,753)	(3,964)
28		Net administrative and general expenses	391,919	356,109	35,810
29		Total operating expenses	704,399	599,235	105,164

SCHEDULE B-3

Account No. 408,409,410 --Taxes Charged During 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	35,348	35,348	
2	State corp. franchise tax	800	800	
3	State unemployment insurance tax	1,967	1,967	
4	Other state and local taxes	20	20	
5	Federal unemployment insurance tax	777	777	
6	Federal insurance contributions act	14,050	14,050	
7	Other federal taxes -Medicare	3,240	3,240	
8	Federal income tax	(23,552)	(23,552)	
9	Prior year income tax adjustment	(7,271)	(7,271)	0
10				
11	Totals	25,379	25,379	0

SCHEDULE B-4

Reconciliation of Reported Net Income With Taxable Income for Federal Taxes

- 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.
- 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.
- Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net loss for the year per Schedule B, page 4	(22,942)
2	Reconciling amounts (list first additional income and unallowable deductions, followed by	
3	additional deductions and non-taxable income):	
4	Income tax provision	(22,752)
5	Non deferred surcharge income	32,795
6	Deferred expenses	64,751
7	Nondeductible expenses	6,719
8	Regulatory liability and balancing account adjustments	(85,850)
9	Other	(8,070)
10		
11		
12	Federal tax net income	(35,349)
13	Computation of tax:	
14	Current Fed & State tax	800
15	Deferred Income tax	(23,552)
16	Total tax provision	(22,752)

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	14,617		
2	CoBank patronage dividend	11,656		
3	Other	134	31	
4	Charitable contributions, donations and other		4,219	
5	Totals	26,407	4,250	22,157

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	Long and short term debt	158,956
2	Other	377
3	Interest on refundable fees	12,088
4		
5		
6		
7		
8		
9	Totals	171,421

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	85,307		85,307
2	670	Office Salaries	2	65,825		65,825
3	671	Management Salaries	1	76,833		76,833
4						0
5	800	Capitalized payroll (incl overhead costs)		(10,717)	10,717	0
6		Total	7	217,248	10,717	227,965

**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**

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.	
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.) 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 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) 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	N/A								
WELLS									
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water	Pumping Capacity (Unit) ²	Annual Quantities Pumped (Unit) ²	Remarks	
6	See Attached schedule								
7									
8									
9									
10									
TUNNELS AND SPRINGS									
Line no	Designation	Location	Number	Maximum	FLOW IN _____ (Unit) ²		Quantities Used (Unit) ²	Remarks	
					Minimum				
11									
12	N/A								
13									
14									
15									
Purchased Water for Resale									
16	Purchased from	N/A							
17	Annual quantities purchased						(Unit chosen) ¹	cu. feet	
18									

*State ditch, pipe line, reservoir, etc., with name, if any.
¹Average depth to water surface below ground surface.
²The 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 gal	Steel Forebay tanks
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution reservoirs			
25	Concrete	3	579,000 gal	in ground concrete
26	Earth			
27	Wood			
28	C. Tanks	12	29,100 gal	steel pressure tanks
29	Wood			
30	Metal	24	1,459,700 gal	steel above ground tanks
31	Concrete			
32	Totals	43	2,159,600	

ATTACHMENT TO 2001 ANNUAL REPORT, C.P.U.C.

HILLVIEW WATER CO., INC.

OAKHURST, CA

WELL DATA

DISTRICT	LOCATION	NO.	DIAMETER (INCHES)	DEPTH TO WATER (FEET)	PUMPING CAPACITY (GPM)	ANNUAL QUANTITY PUMPED (CCF)
A	Yosemite High School	2	8 5/8	45	11	4,143
A	Yosemite High School	3	8 5/8	47	25	2,810
A	Ditton	1	8 5/8	53	30	17,501
A	Ditton	2	8 5/8	53	125	47,507
A	Ditton	3	8 5/8	106	60	12,233
A	Ditton	4	8 5/8	141	50	28,352
A	Pierce Lake	1	8 5/8	42	47	5,137
A	Highland View	1	8 5/8		10	Inactive
A	Junction	1	8 5/8	53	15	6,688
A	Highland View	2	8 5/8		22	0
B	Coarsegold Highlands	1	6	110	75	3,323
D	Hillview (Next To Reservoir)	1	7	88	5	3,903
D	Miami Creek	1	6 5/8		70	Inactive
D	River Creek	1	8 5/8	41	18	1,434
D	River Creek	2	8 5/8	45	18	1,415
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	14,766
D	Goldside (25' South Of #3)	4	8 5/8	58	52	14,138
D	Goldside	5	8 5/8	New	6	Inactive
D	Goldside	6	6 5/8		90	14,952
F	Sierra Lakes	1A	8 5/8	115	200	40,472
F	Sierra Lakes	3	8 5/8	58	150	40,281
F	Sierra Lakes	4	8 5/8	72	330	51,108
G	Raymond (East Property)	2	6	45	5	2,226
G	Raymond (Storage)	5	6	35	1.5	580
G	Raymond (Storage)	6	6	35	0.5	Inactive
G	Raymond (East Property)	7	6	46	6	868
G	Raymond	8	6 5/8	71	20	4,133
G	Raymond	9	6 5/8		4	Inactive
G	Raymond (East Property)	10	6 5/8			6,425

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 ^(A)

Line No.		1	1.5	2	3	3.5	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	Wood			8,140						
21	Other PVC	6,401	5,601	50,146	15,951		57,460		54,589	31,921
22	Totals	6,401	5,601	59,149	20,769	0	67,483	0	65,911	32,652

B. FOOTAGES OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING ^(A)

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									0
31	Welded steel	190	146							20,348
32	Galvanized									7,131
33	Other--PVC	13,034	25,937							8,140
34	Totals	13,638	26,772	0	0	0	0	0	0	261,040
										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	1,030	1,070		
Commercial	295	301		
Large water users				
Public authorities				
Irrigation				
Other (specify)				
Sub-total	1,325	1,371	0	0
Private fire connections			123	123
Public fire hydrants			125	125
Total	1,325	1,371	248	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.	1,237	
1-in.	57	
1-1/2-in.	36	
2-in.	36	
3-in.	4	
4-in.	0	
6-in.	1	
8-in.		
10- & 12-in.		
Total	1,371	0

SCHEDULE D-6

Meter Testing Data

A. Number of Meters Tested During Year as Prescribed	
1. New, after being received Tested by mfg	_____
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	_____
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)¹ (a)

Classification of Service	During Current Year							Subtotal
	January	February	March	April	May	June		
Single Family Residential	14,420	13,031	13,141	16,613	26,110	36,856	120,171	
Commercial							0	
Industrial							0	
Public Auth.							0	
Irrigation							0	
Other							0	
Total	14,420	13,031	13,141	16,613	26,110	36,856	120,171	

Classification of Service	During Current Year							Subtotals	Total	Total Prior Year
	July	August	September	October	November	December				
Single Family residential	31,563	39,423	37,895	37,417	23,959	17,426	187,683	307,854	282,830	
Commercial							0	0		
Industrial							0	0		
Public Auth.							0	0		
Irrigation							0	0		
Other							0	0		
Total	31,563	39,423	37,895	37,417	23,959	17,426	187,683	307,854	282,830	

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

Total acres irrigated: n/a Total population served 4,113 est

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AN ACCOUNTANCY CORPORATION

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Accountant's Compilation Report

May 30, 2002

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, 2001 and 2000, 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 2001, 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.

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