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CLASS D  
WATER UTILITIES  
**RECEIVED**  
MAY 24 2010  
UTILITY AUDIT, FINANCE AND  
COMPLIANCE BRANCH  
DIVISION OF WATER AND AUDITS

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

2009  
ANNUAL REPORT  
OF

*Idylwild Water System*  
*IDYLVILD WATER SYSTEM*

*SAME*

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

*20915 OLD SANTA CRUZ HWY LOS GATOS*  
*Highway Los Gatos*  
*LOS GATOS*  
ZIP  
*CA 95033*

(OFFICIAL MAILING ADDRESS)

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE YEAR ENDED DECEMBER 31, 2009

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2010

## TABLE OF CONTENTS

	<u>Page</u>
Instructions	2
General Information	3
Excess Capacity and Non-Tariffed Services	4
Safe Drinking Water Bond Act / State Revolving Fund Data	5-6
Schedule A - Balance Sheet	7
Schedule B - Water Plant In Service	7
Schedule C - Reserve for Depreciation of Utility Plant	7
Schedule D - Capital Stock Outstanding (As of December 31, 2009)	8
Schedule E - Long-Term Debts	8
Schedule F - Income Statement	8
Schedule G - Source of Supply and Water Developed Wells	9
Schedule H - Water Delivered to Metered Customers	9
Schedule I - Employees and Their Compensation	9
Schedule J - Advances for Construction	10
Schedule K - Total Meters and Services (Active and Inactive)	10
Schedule L - Meter Testing Data	10
Schedule M - Service Connections at End of Year	10
Schedule N - Storage Facilities	10
Schedule O - Footages of Pipe (Excluding Service Pipes)	10
Facility Fees Data	11
Declaration	12

## **INSTRUCTIONS**

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2010**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION  
DIVISION OF WATER AND AUDITS  
ATTN: KAYODE KAJOPAIYE  
505 VAN NESS AVENUE, ROOM 3105  
SAN FRANCISCO, CALIFORNIA 94102-3298  
[kok@cpuc.ca.gov](mailto:kok@cpuc.ca.gov)**

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 Page 12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
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 flow 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. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2009, through December 31, 2009. Fiscal year reports will not be accepted.

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

INDY WILDS WATER SYSTEM

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

20915 OLD SANTA CRUZ HWY LOS GATOS CA 95033

(Official mailing address)

Mt ARFO SANTA CLAUD CO

(Service Area - Town and County)

Telephone Number: 408 353 1343 Fax Number: NONE

Email Address: NONE

**GENERAL INFORMATION**

(Attach a supplementary statement, if necessary)  
RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:  
(A) Date of organization \_\_\_\_\_ incorporated in the State of \_\_\_\_\_  
(B) Names, titles and addresses of principal officers:
  
2. If unincorporated provide the name and address of the owner(s) or the partners:  
BRUCE FRANKS SAME
  
3. Name, title, and telephone number of: SAME  
(A) One person listed above to receive correspondence:  
(B) Person responsible for operations and services:
  
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) 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:

**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
X		
X		
X		

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

DAN GEIVL GRAD 3

## Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each company's Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed goods and services provided in calendar year 2009:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/ Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/ Services (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/ Services (by Account)	Regulated Asset Account Number
	<p style="font-size: 2em; margin: 0;">DOES NOT APPLY</p>										

**FOR ALL WATER COMPANIES  
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: \_\_\_\_\_ *KIONIE* \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_  
 Account Number: \_\_\_\_\_  
 Date Hired: \_\_\_\_\_

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

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch	<i>44</i>	
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers	<i>KIONIE</i>	
<b>Total</b>	<i>44</i>	

\$ \_\_\_\_\_

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ 1553.23
Deposits during the year	<i>32137.00</i>
Interest earned for calendar year	0
Withdrawals from this account	<i>23770.</i>
Balance at end of year	<i>800.00</i>

4. Reason or Purpose of Withdrawal from this bank account:

*TAX BILLS*

**FOR ALL WATER COMPANIES  
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)**

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF 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		<b>NON-DEPRECIABLE PLANT</b>					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		<b>DEPRECIABLE PLANT</b>					
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					

*DOES NOT APPLY?*

### SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2009)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service		201	Common Stock (Corporations only)	
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant		224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash		253	Other deferred credits	
9	141	Accounts receivable - customers		255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - ACRS	
11	151	Materials and supplies			depreciation	
12	174	Other current assets		283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		Total Assets			Total Equity and Liabilities	

### 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
1	301	Intangible plant					
2	303	Land					
3	304	Structures					
4	307	Wells					
5	317	Other water source plant					
6	311	Pumping equipment					
7	320	Water treatment plant					
8	330	Reservoirs tanks and sandpipes					
9	331	Water mains					
10	333	Services and meter installations					
11	334	Meters					
12	335	Hydrants					
13	339	Other equipment					
14	340	Office furniture and equipment					
15	341	Transportation equipment					
16		Total water plant in service					

\* Debit or credit entries should be explained by footnotes or supplementary schedules

### SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 108 Water Plant	Account 106.1 SDWBA Loans	
1	Balance in reserves at beginning of year			A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272			
4	(b) Charged to Account No. 403			
5	(c) Charged to Account No. 407			
6	(d) Salvage recovered			B. Amount of depreciation expense claimed
7	(e) All other credits			or to be claimed on utility property in
8	Total credits			your federal income tax return for the year
9	Deduct: Debits to reserves during year			covered by this report \$
10	(a) Book cost of property retired			
11	(b) Cost of removal			C. State method used to compute tax
12	(c) All other debits			depreciation.
13	Total debits			
14	Balance in reserve at end of year			
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			



SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2009)			
Line			
1	Common - (Shares	\$	par)
2	Preferred - (Shares	\$	par)
3	Dividends - Common	Rate - \$	
4	- Preferred	Rate - \$	

SCHEDULE E - LONG-TERM DEBTS								
Line	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
1								
2								
3								
4				Total				

SCHEDULE F - INCOME STATEMENT			
Line	Acct.	Operating revenues	
1	460	Unmetered water revenue	<del>32,137</del>
2	462	Fire protection revenue	
3	465	Irrigation revenue	
4	470	Metered water revenue	
5	480	Other water revenue	32,137
6		Total Operating Revenue	
7		Operating revenue deductions	
8		Operating expenses	
9	610	Purchased water	NONE
10	615	Purchased power	
11	618	Other volume related expenses	
12	630	Employee labor	
13	640	Materials	
14	650	Contract work	
15	660	Transportation expenses	
16	664	Other plant maintenance expense	
17	670	Office salaries	
18	671	Management salaries	
19	674	Employee pensions and benefits	
20	676	Uncollectible accounts expense	
21	678	Office services and rentals	
22	681	Office supplies and expense	
23	682	Professional services	
24	684	Insurance	
25	688	Regulatory commission expense	
26	689	General expenses	
27		Total Operating Expenses	
28	403	Depreciation expense	
29	407	SDWBA loan amortization expense	
30	408	Taxes other than income taxes	
31	409	State income tax expense	
32	410	Federal income tax expense	
33		Total Operating Revenue Deductions	
34		Utility Operating Income	
35	421	Non-utility income	
36	426	Miscellaneous non-utility expense	
37	427	Interest expense	
38		Net Income	

SEE ATTEND



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		
3/4-in		
1-in		
-in		
-in		
Total		

SCHEDULE L - METER-TESTING DATA	
Number of meters tested during year	
1	Used, before repair _____
2	Used, after repair _____
3	Fast, requiring refund _____
Numbers of meters in service requiring test per General Order No. 103 _____	

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR								
Classification	Active			Inactive			Total Connections*	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	44	0	44	0				
Industrial/Commercial				0				
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total	44							

\* NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE N - STORAGE FACILITIES		
Description	No.	Combined Capacity in Gallons
Concrete		
Earth		
Wood		
Steel	2	1000,00
Other		
Total		1000,00

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)					
Description	2" and under	2 1/4 to 3 1/4	4"	Other Sizes (Specify)	Total
Cast Iron					
Welded steel					
Standard screw					
Cement-asbestos					
Plastic					
Other (specify)					
Total					

## FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2009, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Account Number: \_\_\_\_\_  
 Date Opened: \_\_\_\_\_

2. Facilities Fees collected for new connections during the calendar year:

**A. Commercial**

<b>NAME</b>	<b>AMOUNT</b>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

**B. Residential**

<b>NAME</b>	<b>AMOUNT</b>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

	<b>AMOUNT</b>
Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**SCHEDULE C  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**

(Sole Proprietorship)

Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.

Attach to Form 1040, 1040NR, or 1041.

See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

**2009**

Attachment  
Sequence No. 09

Name of proprietor

**EDWARD FRANKS**

Social security number (SSN)

**571-28-7957**

A Principal business or profession, including product or service (see page C-2)

**WATER - SERVICE**

B Enter code from pages C-9, 10, & 11

**999999**

C Business name. If no separate business name, leave blank.

**UTILITY AUDIT, FINANCE AND  
COMPLIANCE BRANCH  
DIVISION OF WATER AND AUDITS**

D Employer ID number (EIN), if any

E Business address (including suite or room no.)

City, town or post office, state, and ZIP code

F Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify)

G Did you "materially participate" in the operation of this business during 2009? If "No," see page C-3 for limit on losses

Yes  No

H If you started or acquired this business during 2009, check here

**Part I Income**

1 Gross receipts or sales. Caution. See page C-4 and check the box if:

• This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or

• You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see page C-3 for limit on losses.

1 **32137.**

2 Returns and allowances

2

3 Subtract line 2 from line 1

3 **32137.**

4 Cost of goods sold (from line 42 on page 2)

4

5 Gross profit. Subtract line 4 from line 3

5 **32137.**

6 Other income, including federal and state gasoline or fuel tax credit or refund (see page C-4)

6

7 Gross income. Add lines 5 and 6

7 **32137.**

**Part II Expenses.** Enter expenses for business use of your home only on line 30:

8 Advertising

8

18 Office expense

18 **202.**

9 Car and truck expenses

(see page C-4) **STMT 8**

9 **2808.**

19 Pension and profit-sharing plans

19

10 Commissions and fees

10

20 Rent or lease (see page C-6):

20

11 Contract labor

(see page C-4)

11 **10512.**

a Vehicles, machinery, and equipment

20a **225.**

b Other business property

20b **2000.**

12 Depletion

12

21 Repairs and maintenance

21

13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-5)

13

22 Supplies (not included in Part III)

22 **4521.**

14 Employee benefit programs (other than on line 19)

14

23 Taxes and licenses

23

15 Insurance (other than health)

15 **1521.**

24 Travel, meals, and entertainment:

24

16 Interest:

a Mortgage (paid to banks, etc.)

16a

a Travel

24a

b Other

16b **473.**

b Deductible meals and entertainment (see page C-6)

24b

17 Legal and professional services

17 **780.**

25 Utilities

25 **1869.**

26 Wages (less employment credits)

26

27 Other expenses (from line 48 on page 2)

27 **8859.**

28 Total expenses before expenses for business use of home. Add lines 8 through 27

28 **33770.**

29 Tentative profit or (loss). Subtract line 28 from line 7

29 **-1633.**

30 Expenses for business use of your home. Attach Form 8829

30

31 Net profit or (loss). Subtract line 30 from line 29.

• If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see page C-7). Estates and trusts, enter on Form 1041, line 3.

• If a loss, you must go to line 32.

31 **-1633.**

32 If you have a loss, check the box that describes your investment in this activity (see page C-7).

• If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see the line 31 instructions on page C-7). Estates and trusts, enter on Form 1041, line 3.

• If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a  All investment is at risk.  
32b  Some investment is not at risk.

LHA For Paperwork Reduction Act Notice, see page C-9 of the instructions.

Schedule C (Form 1040) 2009

920001 10-22-09

**Part III Cost of Goods Sold** (see page C-8)

33 Method(s) used to value closing inventory: a  Cost b  Lower of cost or market c  Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? "Yes," attach explanation  Yes  No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation

36 Purchases less cost of items withdrawn for personal use

37 Cost of labor. Do not include any amounts paid to yourself

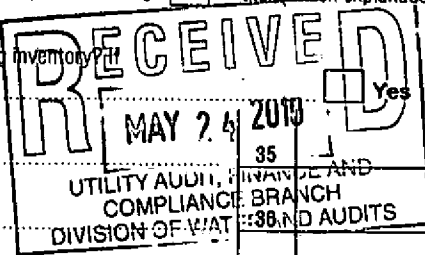
38 Materials and supplies

39 Other costs

40 Add lines 35 through 39

41 Inventory at end of year

42 **Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on page 1, line 4



**Part IV Information on Your Vehicle.** Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 on page C-5 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ / /

44 Of the total number of miles you drove your vehicle during 2009, enter the number of miles you used your vehicle for:  
 a Business \_\_\_\_\_ b Commuting \_\_\_\_\_ c Other \_\_\_\_\_

45 Was your vehicle available for personal use during off-duty hours?  Yes  No

46 Do you (or your spouse) have another vehicle available for personal use?  Yes  No

47 a Do you have evidence to support your deduction?  Yes  No  
 b If "Yes," is the evidence written?  Yes  No

**Part V Other Expenses.** List below business expenses not included on lines 8-26 or line 30.

SUB CONTRACTORS	164.
WATER LAB TEST	3474.
TELEPHONE	428.
POSTAGE	376.
PROPERTY TAX	767.
MEMBERSHIP DUES	874.
HEALTH PERMIT	406.
CHEMICALS	2164.
BANK CHARGES	18.
PROPANE	188.
<b>48 Total other expenses.</b> Enter here and on page 1, line 27	<b>8859.</b>

**DECLARATION**

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned (authorized officer, partner or owner) of IRYLLW (Name of utility), under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, documents, 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 of January 1, 2009 through December 31, 2009.



Signature



Title



Date