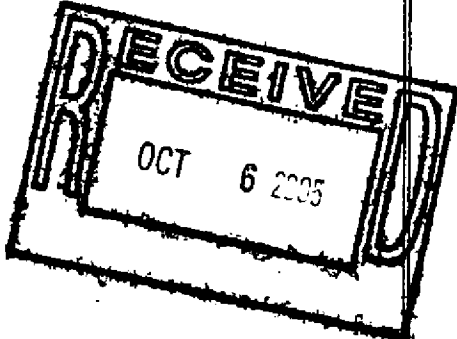


Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2004
ANNUAL REPORT
OF



Klien Homes Water Company

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

201 Burlington Drive; Ukiah, CA 94582
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2004

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2005
(FILE TWO COPIES IF THREE RECEIVED)

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

Klien Homes Water Company
(Name under which corporation, partnership or individual is doing business)

201 Burlington Drive; Uiah, CA 94582
(Official mailing address)

The City of San Jose in The county of Santa Clara
(Service area-town and county)

GENERAL INFORMATION

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 give the name and address of owner or of each partner:

Wilma & Warren Pribyl

3 Name and telephone number of:
(A) One person listed above to receive correspondence:
(B) Person responsible for operations and services:

Wilma Pribyl (707) 462-4134

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 ~~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?

Meter reading @ \$100 per month Jorge Percy

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:
None

PUBLIC HEALTH STATUS

Yes	No	Latest Date
	x	
	x	
	x	
	x	
	x	

- 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.

After twenty years of negative results from water testing, Santa Clara County Health Dept. told the utility it did not have to test anymore.

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

SPECIAL INSTRUCTIONS (over)

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 20 04)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	67,397	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	(23,049)	224	Long term debt	77,923
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash	33,575	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	77,923		Total Equity and Liabilities	77,923

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					
17	303	Land					
18	304	Structures					
19	307	Wells					
20	317	Other water source plant					
21	311	Pumping equipment					
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes					
24	331	Water mains	8,439				8,439
25	333	Services and meter installations	22,035				22,035
26	334	Meters	891	120			1,011
27	335	Hydrants					
28	339	Other equipment	11,176				11,176
29	340	Office furniture and equipment	150				150
30	341	Transportation equipment	-0-	24,586			24,586
31		Total water plant in service	42,691	24,706			67,397

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year	21,063		
33	Add: Credits to reserves during year			A. Method used to compute depreciation expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	1,986		3% straight line
35	(b) Charged to Account No. 272			remaining life method
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed or to be claimed on utility property in your federal income tax return for the year covered by this report \$
37	(d) Salvage recovered			
38	(e) All other credits			
39	Total credits			
40	Deduct: Debits to reserves during year			C. State method used to compute tax depreciation.
41	(a) Book cost of property retired			
42	(b) Cost of removal			
43	(c) All other debits			
44	Total debits	23,049		
45	Balance in reserve at end of year			
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

KLIEN HOMES WATER COMPANY
 Plant and Remaining Book Value
 As of 31 December 2004

Table :
 Date : 4 October 2005
 Auditor : H. Chow

Reference : 2004 Tax Return

Acct. No.	Item	Time of Purchase	Cost of Plant	Depreciation Allowed <u>1/</u>	Remaining Value	Account Total
331	Mains	July 1971	7,660	7,660	0	8,439
		July 1986	779	432	347	
333	Services	Dec 1986	22,035	11,899	10,136	22,035
334	Meters	July 1991	740	300	440	1,011
		Dec 1995	151	41	110	
		Oct 2004	120	0	120	
339	Other Equip.	July 1974	350	110	240	11,176
		July 1974	325	102	223	
		Dec 1996	3,572	1,018	2,554	
		Oct 1997	96	20	76	
		Dec 1999	4,010	602	3,409	
		Oct 2003	2,223	67	2,156	
		Oct 2003	300	9	291	
Apr 2003	300	14	287			
340	Office Furn.	July 1976	150	38	112	150
341	Transp.Equip.	January 2004	24,586	738	23,848	24,586
			67,397	23,049	44,348 <u>2/</u>	67,397

Note :

1/ The calculation of depreciation allowed is based on 3% depreciation rate and the years are rounded off to the nearest half year.

2/ After 2004, use 3% straight line remaining life depreciation rate until a different rate is recommended by the Commission.

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 20__)

Line	1	Common - (Shares	\$	par)			List persons owning more than 5% of outstanding stock
	2	Preferred - (Shares	\$	par)			and number of shares owned by each:
	3	Dividends - Common	Rate - \$				
	4	- Preferred	Rate - \$				

SCHEDULE E - LONG TERM DEBT

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5								
6								
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9		Operating revenues	xxxxxxxxxx
10	460	Unmetered water revenue	
11	462	Fire protection revenue	
12	465	Irrigation revenue	
13	470	Metered water revenue	25,334
14	480	Other water revenue	
15		Total Operating Revenue	25,334
16		Operating revenue deductions	xxxxxxxxxx
17		Operating expenses	xxxxxxxxxx
18	610	Purchased water	9,760
19	615	Power	
20	618	Other volume related expenses	
21	630	Employee labor	
22	640	Materials	
23	650	Contract work	1,300
24	660	Transportation expenses	2,309
25	664	Other plant maintenance expense	
26	670	Office salaries	
27	671	Management salaries	7,200
28	674	Employee pensions and benefits	
29	676	Uncollectible accounts expense	
30	678	Office services and rentals	2,855
31	681	Office supplies and expense	974
32	682	Professional services	1,478
33	684	Insurance	
34	688	Regulatory commission expense	
35	689	General expenses	1,384
36		Total Operating Expenses	27,260
37	403	Depreciation expense	1,986
38	407	SDWBA loan amortization expense	
39	408	Taxes other than income taxes	366
40	409	State corporate income tax expense	
41	410	Federal corporate income tax expense	
42		Total Operating Revenue Deductions	29,612
43		Utility Operating Income	
44	421	Non-utility income	
45	426	Miscellaneous non-utility expense	
46	427	Interest expense	
47		Net Income	(4,278)

SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS

Location	No.	Diam. Inch	Depth to water feet	Pumping capacity (g.p.m.)	Annual quantities pumped

OTHER

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

SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS (If figures are available) (specify unit)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business			
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION

Line	Acct	Account	Number at end of year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
48	630	Employee Labor				
49	670	Office salaries				
50	671	Management salaries Wilma Pribyl	1	7,200		7,200
51		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

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

Size	Meters	Services
5/8 x 3/4-in		
3/4-in	11	
1-in	7	1
-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	

Compare meter meter usage with total customer usage monthly

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	18			1			19	
Industrial								
Other (specify)								
Subtotal								
Fire protection (Hydrants)								
Total								

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

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	2" and 2 1/4 to 4"			Other sizes (specify)	Totals
				2" and under	2 1/4 to 3 1/4	4"		
Concrete			Cast Iron			1415		
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total			Total					

DECLARATION

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

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

From and including Jan 1, 2004, to and including December 31, 2004

Signed [Signature]
 Title CO owner
 Date 9/7/05