

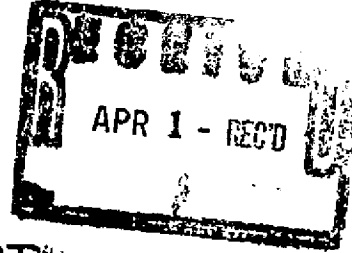
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CLASS D
WATER UTILITIES

U# W-148



2002
ANNUAL REPORT
OF

LAKE ALPINE WATER COMPANY

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

9601 State Route #4, Farmington, CA 95230
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2002

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2003
(FILE TWO COPIES IF THREE RECEIVED)

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

LAKE ALPINE WATER COMPANY

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

9601 State Route #4, Farmington, CA 95230

(Official mailing address)

Bear Valley - Alpine County

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 06-30-64 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers: C. Bruce Orvis, President
Roma P. Orvis, Secretary-Treasurer -9601 State Route 4, Farmington, CA
95230
- 2 If unincorporated give the name and address of owner or of each partner:

- 3 Name and telephone number of:
 - (A) One person listed above to receive correspondence: Roma P. Orvis, 209-899-2460
 - (B) Person responsible for operations and services: C. Bruce Orvis, III, 209-795-2580
or 209-753-6241
- 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		08-23-02
x		03-11-03
x		1971

SPECIAL INSTRUCTIONS (over)

**Summary of Earnings
Test Year 2002**

Account Number	Operating Revenue	
470	Metered	17298
460	Unmetered	259827
462	Private Fire Protection	2006
480	Other Income	2925
	Total Revenue	282056
	Operating Expenses	
610	Purchased Water	0
615	Purchased Power	9512
	Pump Taxes	0
	Purchased Chemicals	10148
618	Other Vol. Related Exp.	0
630	Employee Labor	19753
640	Materials	2660
650	Contract Work	1763
	Water Testing	2389
660	Transportation Expense	4095
664	Other Plant Maintenance	688
670	Office Salaries	16152
671	Management Salaries	48960
674	Employee Pensions & Benefits	9865
676	Uncollectables	0
678	Office Service and Rentals	3600
681	Office Supplies and Expense	7138
682	Professional Services	11157
684	Insurance	15117
688	Regulatory Expense	225
689	General Expense	74
	Subtotal	163296
403	Depreciation Expense	22802
	Ad Valorem Taxes	0
	Payroll Taxes	7160
408	Taxes other than Income	7532
409	State Income Tax	1600
410	Federal Income Tax	190
	Total Deductions	202580
	Net Revenue	79476
	Rate Base	
	Average Plant	1266478
	Average Depreciation Reserve	422453
	Net Plant	844025
	Less: Advances	
	Less: Contributions	-312142
	Plus: Construction Work in Pro	69359
	Plus: Working Cash	1858
	Plus: Material & supplies	3573
	Rate Base	606673
	ROR=Net Rev/Rate Base	13.10%

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2002

NAME OF UTILITY Lake Alpine Water Company PHONE 209-899-2460

PERSON RESPONSIBLE FOR THIS REPORT Roma P. Orvis
 (Prepared from information in the 2002 Annual Report)

	01/01/02	12/31/02	Average
BALANCE SHEET DATA			
1 Intangible Plant	0	0	0
2 Land and Land rights	28433	28433	28433
3 Depreciation Plant	1234139	1241951	1238045
4 Gross Plant in Service	1262572	1270384	1266478
5 Less: Accumulated Depreciation	418452	426454	422453
6 Net Water Plant in Service	844120	843930	844025
7 Water Plant Held for Future Use	0	0	0
8 Construction Work in Progress	45504	69359	57432
9 Materials & Supplies	3173	3573	3373
10 Less: Advances for Construction	0	0	0
11 Less: Contribution in Aid of Construction	(312142)	(312142)	(312142)
12 Less: Accumulated Deferred Income & Investment Tax Credits	0	0	0
13 Net Plant Investment	580655	604720	592688
	=====	=====	=====
CAPITALIZATION			
14 Common Stock	100000	100000	100000
15 Proprietary Cap. (Ind. or Part.)	0	0	0
16 Paid-In Capital	156467	156467	156467
17 Retained Earnings	259787	329153	294470
18 Common Stock and Equity (Lines 14 through 17)	516254	585620	550937
19 Preferred Stock	0	0	0
20 Long-Term Debt	126321	76052	101187
21 Notes Payable	0	36602	18301
22 Total Capitalization (Lines 18 through 21)	642575	698274	670425
	=====	=====	=====

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

2002

NAME OF UTILITY Lake Alpine Water Company 209-899-2460

INCOME STATEMENT	Annual Amount
23 Unmetered Water Revenue	259827
24 Fire Protection Revenue	2006
25 Irrigation Revenue	0
26 Metered Water Revenue	17298
27 Total Operating Revenue	279131
28 Operating Expenses	163296
29 Depreciation Expenses (Composite Rate 2.72)	22802
30 Amortization and Property Losses	0
31 Property Taxes	5682
32 Taxes Other Than Income Taxes	9009
33 Total Operating Revenue Deductions Before Taxes	200789
34 California Corp. Franchise Tax	1600
35 Federal Corporate Income Tax	190
36 Total Operating Revenue Deduction After Taxes	202579
37 Net Operating Income (Loss) - California Water Operations	76552
38 Other Operating & Nonoper. Income and Exp. - Net (Exclude Interest Exp.)	-3328
39 Income Available for Fixed Charges	73224
40 Interest Expense	8201
41 Net Income (Loss) Before Dividends	65023
42 Preferred Stock Dividends	-20000
43 Net Income (Loss) Available for Common Stock	45023

OTHER DATA

44 Refunds of Advances for Construction	0
45 Total Payroll Charged to Operating Expenses	84866
46 Purchased Water	0
47 Power	9512

<u>Active Service Connections</u>	(Exc.Fire Protect.) <u>459</u>	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		19	19	19
49 Flat Rate Service Connections		440	441	441
50 Total Active Service Connections		459	460	460

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2002)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	1270384	201	Common Stock (Corporations only)	100000
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	156467
3	104	Water plant purchased or sold		215	Retained earnings	329153
4	105	Water plant construction work in progress	69359	218	Proprietary Capital	
5	106	Accumulated depreciation of water plant	-426454	224	Long term debt	76052
6	114	Water plant acquisition adjustments			Current liabilities	49848
7	124	Other investments		252	Advances for construction	
8	131	Cash	1858	253	Other deferred credits	
9	141	Accounts receivable - customers	1997	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies	0	282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	3573		depreciation	
12	174	Other current assets	21287	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	6562	271	Contributions in aid of construction	312142
14				272	Accumulated amortization of contributions	-75096
15		Total Assets	948566		Total Equity and Liabilities	948566

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					0
17	303	Land	28433				28433
18	304	Structures	120169	0			120169
19	307	Wells					0
20	317	Other water source plant	13850		0		13850
21	311	Pumping equipment	58784	1580	18486		41878
22	320	Water treatment plant	228760	711	33		229438
23	330	Reservoirs, tanks and standpipes	264989	268			265257
24	331	Water mains	253893	0			253893
25	333	Services and meter installations	16182	0	0		16182
26	334	Meters	15916	0			15916
27	335	Hydrants	186910	2074	0		188984
28	339	Other equipment	35205	9101	324		43982
29	340	Office furniture and equipment	4947	0	0		4947
30	341	Transportation equipment	34534	34161	21240		47455
31		Total water plant in service	1262572	47895	40083		1270384

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

C17 SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Acct 108 Water Plant	Acct 108.1 SDWBA Loans	
32	Balances in reserves at beginning of year	418452		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	22802		2.72 Composite
35	(b) Charged to Account No. 272	2388		
36	(c) Charged to clearing accounts	0		B. Amount of depreciation expense
37	(d) Salvage recovered	2595		claimed or to be claimed on utility
38	(e) All other credits (1)			property in your federal income tax
39	Total Credits	27785		return for the year covered by this
40	Deduct: Debits to reserve at end of year			report. \$71,247
41	(a) Book cost of property retired	19783		F. Y. Ending 06/30/02+130
42	(b) Cost of removal			
43	(c) All other debits (2)			C. State method used to compute tax
44	Total Debits	19783		depreciation.
45	Balance in reserve at end of year	426454		5 - 30 Year Life
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits:			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2003)

Line					
1	Common - (Shares	100 \$	10	100000	List persons owning more than 5% of outstanding stock and number of shares owned by each: J.L.Orvis 2500/M.S.Orvis 2500/C.B.Orvis 520/R.P.Orvis 520/C.B.Orvis III 2180 P.D.Orvis 1780
2	Preferred - (Shares	\$	par)		
3	Dividends - Common	Rate - \$	2		
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		06/23/97	02/01/03	186680	65056	Prm +1%		5592
6		08/25/02	08/25/07	11460	10996	8.19%		231
7								
8	Totals			198140	76052			5823

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxx
10	460 Unmetered water revenue	259827
11	462 Fire protection revenue	2006
12	465 Irrigation revenue	0
13	470 Metered water revenue	17298
14	480 Other water revenue	2925
15	Total Operating Revenue	282056
16	Operating revenue deductions	xxxxxxx
17	Operating expenses	xxxxxxx
18	610 Purchased water	
19	615 Power	9512
20	618 Other volume related expenses	10148
21	630 Employee labor	19754
22	640 Materials	2660
23	650 Contract work	4152
24	660 Transportation expenses	4095
25	664 Other plant maintenance expense	687
26	670 Office salaries	16152
27	671 Management salaries	48960
28	674 Employee pensions and benefits	9864
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	3600
31	681 Office supplies and expense	7138
32	682 Professional services	11157
33	684 Insurance	15117
34	688 Regulatory commission expense	221
35	689 General expenses	79
36	Total Operating Expenses	163296
37	403 Depreciation expense	22802
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	14691
40	409 State corporate income tax expense	1600
41	410 Federal corporate income tax expense	190
42	Total Operating Revenue Deductions	39283
43	Utility Operating Income	79477
44	421 Non-utility income	16
45	426 Miscellaneous non-utility expense	6269
46	427 Interest expense	8201
47	Net Income	65023

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
N.A.					

OTHER

Streams or springs location of diversion point	Flow in		(Unit) Diversions		Annual quantities diverted (Unit)
	Priority right		Max	Min	
Bloods Creek					
Tributary	.075 CFS				6-8 MG
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	3	19754		19754
49	670	Office salaries	1	16152		16152
50	671	Management salaries	1	48960		48960
51		Total	5	84866		84866

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 METTERS AND SERVICES (Active & Inactive)

Size	Meters	Services
3/4 In	8	443
1 In	4	
1 1/2 In	1	
2 In	4	1
3 In		1
4 In	1	3
Hydrants		46
Totals	18	494

SCHEDULE L - METER TESTING DATA

Number of meters tested during year	
1. Used, before repair	0
2. Used, after repair	0
3. Fast, requiring refund	
Number 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		441	441		2	2	0	443
Commercial	14		14	1		1	15	0
County	5		5			0	5	0
Private Firelines		5	5			0	0	5
Subtotal	19	446	465	1	2	3	20	448
Fire Protection (Hydrants)		46	46			0	0	46
Total	19	492	511	1	2	3	20	494

Note: Total connexions(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	Pipe Sizes						Totals
				2" & under	2 1/4" to 3 1/4"	4"	6"	8"	12"	
Concrete			Cast Iron							
Earth			Welded Steel							
Wood	4	440,000	Standard							
Steel			Cement-asbestos	10345	2100	22100	14222	280	4105	53152
Other			Plastic	280	6302	7577	2395			16554
			Other (specify)							
			More of the above is plastic and some lead-ins are steel. I do not have exact figures.							
Totals	4	440000	Totals	10825	8402	29677	16617	280	4105	69706

DECLARATION

(Before signing please check to see that all schedules have been completed)

I, the undersigned (officer, partner or owner) of LAKE ALPINE WATER COMPANY (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 A28 January 01, 2002 to and including December 31, 2002

Ronnie P. Davis
 Signed _____
 Secretary - Treasurer _____
 Title _____
 March 20, 2003 _____
 Date _____