

43

Received _____
Examined _____

SEWER UTILITIES

RECEIVED
APR 1 - 2011
UTILITY AUDIT, FINANCE AND
COMPLIANCE BRANCH
DIVISION OF WATER AND AUDITS

U# SWR-214

~~2010~~
**ANNUAL REPORT
OF**

LITTLE BEAR WATER COMPANY, INC.

SEWER DIVISION

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

51201 PINE CANYON ROAD #125, KING CITY, CA
(OFFICIAL MAILING ADDRESS)

93930
ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2010**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2011

TABLE OF CONTENTS

	<u>Page</u>
Instructions	2
General Information	3
Excess Capacity and Non-Tariffed Services	4
Schedule A - Balance Sheet	5
Schedule B - Sewer Plant In Service	5
Schedule C - Reserve for Depreciation of Utility Plant	5
Schedule D - Capital Stock Outstanding (As of December 31, 2009)	6
Schedule E - Long-Term Debts	6
Schedule F - Income Statement	6
Schedule G - Employees and Their Compensation	6
Schedule H - Advances for Construction	7
Schedule I - Total Meters and Services (Active and Inactive)	7
Schedule J - Meter-Testing Data	7
Schedule K - Service Connections at End of Year	7
Schedule L - Storage Facilities	7
Schedule M - Footages of Pipe (Excluding Service Pipes)	7
Declaration	8

INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2011**, 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**

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 8, must be signed by an authorized 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. 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, 2010, through December 31, 2010. Fiscal year reports will not be accepted.

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

LITTLE BEAR WATER COMPANY, INC. SEWER DIVISION
(Name under which corporation, partnership or individual is doing business)

51201 PINE CANYON ROAD #125, KING CITY, CA 93930
(Official mailing address)

KING CITY, MONTEREY COUNTY
(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 CALIFORNIA
(B) Names, titles and addresses of principal officers: Albin Morisoli, President; Diane Johnson, Vice-President
David Morisoli, Secretary
Business Address: 51201 Pine Canyon Road #125
King City, CA 93930

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: Richard Hiwa, General Manager (831) 385-3524
(B) Person responsible for operations and services: Richard Hiwa, General Manager (831) 385-3524

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		Nov-10
X		Dec-10

11 List Name, Grade, and License Number of all Licensed Operators:
RICHARD HIWA, GRADE 1, LICENSE No. I-28141

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 2010:

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

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2010)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Plant in service	1,004,419	201	Common Stock (Corporations only)	
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	
3	103	Plant held for future use		215	Retained earnings	333,350
4	104	Plant purchased or sold		218	Excess Sewer Assets Over Liabilities	293,390
5	105	Plant construction work in progress	2,519	224	Long term debt	
6	108	Accumulated depreciation of plant	(465,869)		Current Liabilities	7,614
7	114	Plant acquisition adjustments		252	Advances for construction	
8	124	Other investments		253	Inter-Division Accounts Payable	(110,750)
9	131	Cash		255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers	23,970	282	Accumulated deferred income taxes - ACRS	
11	142	Receivables from associated companies			Depreciation	
12	151	Materials and supplies		283	Accumulated deferred income taxes - other	
13	174	Other current assets	2,093	271	Contributions in aid of construction	201,500
14	180	Deferred charges		272	Accumulated amortization of contributions	(157,972)
15		Total Assets	567,132		Total Equity and Liabilities	567,132

SCHEDULE B - SEWER 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	0				0
2	303	Land	113,069				113,069
3	304	Structures	6,264				6,264
	304	Fencing	11,682				11,682
4	307	Wells	3,950				3,950
	308	Sierra Vista Sewer System	201,500				201,500
5	317	Aereators	18,248				18,248
6	311	Pumping equipment	63,306				63,306
	320	Filter System-Sprayfield	980				980
7	320	Treatment plant	3,962				3,962
8	330	Reservoirs	17,738				17,738
9	331	Mains	345,334				345,334
	331	Sprayfield Piping	27,495				27,495
	331	Sprayfield Improvements	39,585				39,585
	332	Sewer Manholes	7,854				7,854
10	333	Sewer Lateral	7,726				7,726
11	334	Meters	0				0
12	339	Other equipment	57,799	951			58,750
13	340	Office furniture and equipment	4,908				4,908
14	341	Transportation equipment	47,068	25,000			72,068
15		Total Plant in service	978,468	25,951			1,004,419

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Plant	
1	Balance in reserves at beginning of year	439,518	A. Method used to compute depreciation
2	Add: Credits to reserves during year		expense (Acct. 403) and rate.
3	(a) Charged to Account No. 403	20,306	STRAIGHT LINE - 3%
4	(b) Charged to Account No. 272	6,045	
5	(c) Charged to clearing accounts		B. Amount of depreciation expense claimed
6	(d) Salvage recovered		or to be claimed on utility property in
7	(e) All other credits		your federal income tax return for the year
8	Total credits	26,351	covered by this report \$
9	Deduct: Debits to reserves during year		
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	0	STRAIGHT LINE
14	Balance in reserve at end of year	465,869	
15	(1) Explanation of all other credits		
16	(2) Explanation of all other debits		

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2010)			
Line			
1	Common - (Shares	\$	par)
2	Preferred - (Shares	\$	par)
3	Dividends - Common	Rate - \$	List persons owning more than 5% of outstanding stock
4	- Preferred	Rate - \$	and number of shares owned by each:

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	GMAC Financial-Utility Truck	Oct. 2006	Oct. 2011	8,356	975	0%	0	0
2	North Star Leasing (Cap. Lease)	Nov. 2008	Aug. 2011	17,998	4,452	9.47%	0	743
3	Sub-Total			26,354	5,427			
4	Current Portion				(5,427)			
5	Totals				0			743

SCHEDULE F - INCOME STATEMENT			
Line	Acct	Operating revenues	
1	460	Unmetered revenue	
2	470	Metered revenue	
3	475	Approved Total Surcharge Revenue(s)	
4	480	Other revenue	339,989
5		Total Revenue Received	339,989
6		Less: Revenue Deductions	
		SDWBA/SRF surcharge revenue	
		Total Operating Revenue	
7		Operating expenses	
9	610	Purchased water	0
10	615	Power	32,839
11	618	Other volume related expenses	0
12	630	Employee labor	38,968
13	640	Materials	3,325
14	650	Contract work	3,378
15	660	Transportation expenses	16,201
16	664	Other plant maintenance expense	5,683
17	670	Office salaries	16,205
18	671	Management salaries	34,364
19	674	Employee pensions and benefits	6,977
20	676	Uncollectible accounts expense	1,330
21	678	Office services and rentals	3,840
22	681	Office supplies and expense	15,159
23	682	Professional services	38,571
24	684	Insurance	14,412
25	688	Regulatory commission expense	0
26	689	General expenses	3,459
27		Total Operating Expenses	234,711
28	403	Depreciation expense	20,306
29	408	Taxes other than income taxes	22,045
30	409	State corporate income tax expense	5,489
31	410	Federal corporate income tax expense	13,895
32		Total Operating Revenue Deductions	296,446
33		Utility Operating Income	43,543
34	421	Non-utility income	0
35	426	Miscellaneous non-utility expense	0
36	427	Interest expense	828
37		Net Income	42,715

SCHEDULE G - 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
1	630	Employee Labor	3	38,968	1,082	40,050
2	670	Office salaries	1	16,205		16,205
3	671	Management salaries	4	34,364	112	34,476
4		Total	8	89,537	1,194	90,731

SCHEDULE H - ADVANCES FOR CONSTRUCTION	
Balance beginning of year	
Additions during year	
Subtotal - Beginning balance plus additions during year	N/A
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	

SCHEDULE I - TOTAL METERS AND SERVICES (active and inactive)		
Size	Meters	Services
-in		
-in		
-in	N/A	
-in		
-in		
Total		

SCHEDULE J - METER-TESTING DATA	
Number of meters tested during year	
1	Used, before repair _____
2	Used, after repair _____
3	Fast, requiring refund _____

SCHEDULE K - SERVICE CONNECTIONS AT END OF YEAR								
Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences		393	393					393
Industrial								
Other (specify)								
Total		393	393					393

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

SCHEDULE L - STORAGE FACILITIES			SCHEDULE M - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)							
Description	No.	Combined capacity in gallons	Description	2" and under	2 1/4 to 3 1/4	4"	6" Other sizes (specify)	8"	10"	Total
Concrete			Cast Iron							
Earth			Welded steel							
Wood			Standard screw							
Steel			Cement-asbestos							
Other			Plastic							
			Other (specify)				1,382	198	804	2,384
Total			Total				1,382	198	804	2,384

DECLARATION

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

I, the undersigned _____
Officer, Partner, or Owner (Please Print)

of _____
LITTLE BEAR WATER COMPANY, INC. - SEWER DIVISION
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 of January 1, 2010, through December 31, 2010.

General Manager

Title (Please Print)



Signature

831 385-3524

Telephone Number

3/31/2011

Date