

Received _____
Examined _____

**CLASS D  
WATER UTILITIES**

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

**2002  
ANNUAL REPORT  
OF**

Llano Del Rio Water Company

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

32810-165<sup>th</sup> Street East

Llano, CA

(OFFICIAL MAILING ADDRESS)

93544

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)

## **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.

# CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Llano Del Rio Water Company

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

32810-165<sup>th</sup> Street East

(Official mailing address)

Llano, CA 93544

Los Angeles County

(Service area-town and county)

## GENERAL INFORMATION

RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES

- 1 If a corporation show:
  - (A) Date of organization June 21, 1956 incorporated in the State of California
  - (B) Names, titles and addresses of principal officers:
 

Pres. -	John Blalock	32810-165 <sup>th</sup> St. E.	Llano,	CA 93544
Sec. /	Treas. - James Lombardi	"	"	"
V. Pres. -	Ruth Rampone	"	"	"
- 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: John Blalock (661) 944-2939
  - (B) Person responsible for operations and services: John Blalock
- 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)  
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?  
24 hr. availability \$1200 Blalock-Eddy Ranch - Vehicle Expense
- 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:  
Richard Blalock Trust 10%, Blalock-Eddy Ranch 90%

### 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
✓		
✓		
✓		

SPECIAL INSTRUCTIONS (over)

## **SPECIAL INSTRUCTIONS**

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year.  
Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

**Summary of Earnings  
Test Year 2002**

Account Number	Operating Revenue	
470	Metered	91,616
460	Unmetered	395
465	Irrigation	32,610
462-480	Private Fire Protection (Other)	11,211
	<b>Total Revenue</b>	<b>135,832</b>
	<b>Operating Expenses</b>	
610	Purchased Water	21,407
615	Purchased Power	35,819
	Pump Taxes	-
	Purchased Chemicals	-
618	Other Vol. Related exp.	905
630	Employee Labor	17,770
640	Materials	4,214
650	Contract Work	11,702
	Water Testing	-
660	Transportation Expense	4,423
664	Other Plant Maintenance	-
670	Office Salaries	9,103
671	Management Salaries	15,130
674	Employee Pensions and Benefits	-
676	Uncollectables	-
678	Office Service and Rentals	2,100
681	Office Supplies and Expense	1,659
682	Professional Services	425
684	Insurance	3,360
688	Regulatory Expense	-
689	General Expense	2,657
	<b>Subtotal</b>	<b>130,674</b>
403	Depreciation Expense	10,852
	Ad Valorem Taxes	-
	Payroll taxes	-
408	Taxes other than income	2,274
409	State Income Tax	800
410	Federal Income Tax	
	<b>Total Deductions</b>	<b>144,600</b>
	<b>Net Revenue</b>	<b>&lt;8768&gt;</b>
	<b>Rate Base</b>	
	Average Plant	
	Average Depreciation Reserve	
	Net Plant	
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	<b>Rate Base</b>	
	<b>ROR=Net Rev/Rate Base</b>	

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

2002

NAME OF UTILITY Llano Del Rio Water Co. PHONE 661-944-2939

PERSON RESPONSIBLE FOR THIS REPORT Karon Blalock  
 (Prepared from Information in the 2001 Annual Report)

1/1/02 12/31/02 Average

**BALANCE SHEET DATA**

1	Intangible Plant			
2	Land and Land Rights	<u>15990</u>	<u>15990</u>	<u>15990</u>
3	Depreciable Plant	<u>340190</u>	<u>340190</u>	<u>340190</u>
4	Gross Plant in Service	<u>356180</u>	<u>356180</u>	<u>356180</u>
5	Less: Accumulated Depreciation	<u>219449</u>	<u>230301</u>	<u>224875</u>
6	Net Water Plant in Service	<u>136731</u>	<u>125879</u>	<u>131305</u>
7	Water Plant Held for Future Use			
8	Construction Work in Progress			
9	Materials and Supplies			
10	Less: Advances for Construction	<u>( )</u>	<u>( )</u>	<u>( )</u>
11	Less: Contribution in Aid of Construction	<u>( )</u>	<u>( )</u>	<u>( )</u>
12	Less: Accumulated Deferred Income and Investment Tax Credits	<u>( )</u>	<u>( )</u>	<u>( )</u>
13	Net Plant Investment	<u>136731</u>	<u>125879</u>	<u>131305</u>

**CAPITALIZATION**

14	Common Stock	<u>127250</u>	<u>127250</u>	<u>127250</u>
15	Proprietary Capital (Individual or Partnership)			
16	Paid-in Capital			
17	Retained Earnings	<u>&lt;398686&gt;</u>	<u>&lt;406854&gt;</u>	<u>&lt;402770&gt;</u>
18	Common Stock and Equity (Lines 14 through 17)	<u>&lt;271436&gt;</u>	<u>&lt;279604&gt;</u>	<u>&lt;275520&gt;</u>
19	Preferred Stock			
20	Long-Term Debt			
21	Notes Payable			
22	Total Capitalization (Lines 18 through 21)	<u>&lt;271436&gt;</u>	<u>&lt;279604&gt;</u>	<u>&lt;275520&gt;</u>

(Revised 2/01)

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

20 02

(continued)

NAME OF UTILITY Llano Del Rio Water Co. PHONE 661-944-2939

**INCOME STATEMENT**

	Annual Amount
23 Unmetered Water Revenue	<u>395</u>
24 Fire Protection Revenue	<u>-</u>
25 Irrigation Revenue	<u>32610</u>
26 Metered Water Revenue <i>other Revenue</i>	<u>91616</u>
27 Total Operating Revenue	<u>135932</u>
28 <u>Operating Expenses</u>	<u>130674</u>
29 Depreciation Expense (Composite Rate _____)	<u>10852</u>
30 Amortization and Property Losses	<u>-</u>
31 Property Taxes	<u>1652</u>
32 Taxes Other Than Income Taxes	<u>622</u>
33 Total Operating Revenue Deduction Before Taxes	<u>7968</u>
34 California Corp. Franchise Tax	<u>800</u>
35 Federal Corporate Income Tax	<u>-</u>
36 Total Operating Revenue Deduction After Taxes	<u>8768</u>
37 Net Operating Income (Loss) - California Water Operations	<u>8768</u>
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>-</u>
39 Income Available for Fixed Charges	<u>8768</u>
40 Interest Expense	<u>-</u>
41 Net Income (Loss) Before Dividends	<u>8768</u>
42 Preferred Stock Dividends	<u>-</u>
43 Net Income (Loss) Available for Common Stock	<u>8768</u>

**OTHER DATA**

44 Refunds of Advances for Construction	<u>-</u>
45 Total Payroll Charged to Operating Expenses	<u>-</u>
46 Purchased Water	<u>21407</u>
47 Power	<u>35819</u>

	Active Service Connections	(Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections			<u>166</u>	<u>168</u>	<u>167</u>
49 Flat Rate Service Connections			<u>1</u>	<u>1</u>	<u>1</u>
50 Total Active Service Connections			<u>166</u>	<u>168</u>	<u>167</u>

**CLASS B, C AND D WATER COMPANIES  
SAFE DRINKING WATER BOND ACT DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent:

Name: \_\_\_\_\_

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 the trust bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

5. Account information:

Bank Name: \_\_\_\_\_

Account Number: \_\_\_\_\_

Date Opened: \_\_\_\_\_



6. Plant amounts included in Schedule A, 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		<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					

**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2002)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	356180	201	Common Stock (Corporations only)	127250
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	406854
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	230301	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	430152
7	124	Other investments		252	Advances for construction	
8	131	Cash	13267	253	Other deferred credits	
9	141	Accounts receivable - customers	3982	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	6455	283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14	132	Preliminary Services	965	272	Accumulated amortization of contributions	
15		Total Assets	150548		Total Equity and Liabilities	150548

**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	15989				15989
18	304	Structures					
19	307	Wells					
20	317	Other water source plant	149				149
21	311	Pumping equipment	29046				29046
22	320	Water treatment plant	23090				23090
23	330	Reservoirs tanks and sandpipes	49958				49958
24	331	Water mains	164665				164665
25	333	Services and meter installations	3305				3305
26	334	Meters	15004				15004
27	335	Hydrants	1980				1980
28	339	Other equipment	52993				52993
29	340	Office furniture and equipment					
30	341	Transportation equipment					
31		Total water plant in service	356180				356180

\* 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	219449		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	10852		SL 3.19%
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	10852		covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits			SL
45	Balance in reserve at end of year	230301		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2002)**

Line	Common - (Shares	12725, \$ 10.00 par)	127250	List persons owning more than 5% of outstanding stock
1	Preferred - (Shares	, \$ par)		and number of shares owned by each:
3	Dividends - Common	Rate - \$		Black-Eddy Ranch 11535
4	- Preferred	Rate - \$		Richard Black Trust 1200

**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	xxxxxx0000x
10	460 Unmetered water revenue	395
11	462 Fire protection revenue	-
12	465 Irrigation revenue	32610
13	470 Metered water revenue	91616
14	480 Other water revenue	11211
15	Total Operating Revenue	135832
16	Operating revenue deductions	xxxxxx0000x
17	Operating expenses	xxxxxx0000x
18	610 Purchased water	21407
19	615 Power	35819
20	618 Other volume related expenses	905
21	630 Employee labor	17770
22	640 Materials	4214
23	650 Contract work	11702
24	660 Transportation expenses	4423
25	664 Other plant maintenance expense	-
26	670 Office salaries	9103
27	671 Management salaries	15130
28	674 Employee pensions and benefits	-
29	676 Uncollectible accounts expense	-
30	678 Office services and rentals	2100
31	681 Office supplies and expense	1659
32	682 Professional services	425
33	684 Insurance	3360
34	688 Regulatory commission expense	-
35	689 General expenses	2657
36	Total Operating Expenses	130674
37	403 Depreciation expense	10852
38	407 SDWBA loan amortization expense	-
39	408 Taxes other than income taxes	2274
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	-
42	Total Operating Revenue Deductions	13926
43	Utility Operating Income	(8768)
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	(8768)

**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
NE 1/4 Sect. 6 R9W T4N	3	20"	30	500	Approx. 365
	5	20"	30	500	acre-ft.

**OTHER**

Streams or springs location of diversion point	Flow in (Unit)		Annual quantities diverted (Unit)		
	Priority right	Diversions			
NE 1/4 SW 1/4 Sec. 6 R9W	Claim	Capacity	Max	Min	1/2 Surface Flow
	Big Rock	2500	900		
	Municipal				

  

Purchased water (unit) Supplier:	Annual quantity

**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	2	17770		17770
49	670	Office salaries	2	9103		9103
50	671	Management salaries	2	15130		15130
51		Total	6	42003		42003

**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	21	
1-in	144	1
-in 1 1/2	1	
-in 2	2	
Total	168	1

**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	150		150				150	
Industrial <i>Golf Course</i>	7	1	8				7	1
Other (specify) <i>landscaping</i>	3		3				3	
<i>Lodge</i>	8		8				8	
Subtotal	168	1	169					
Fire protection (Hydrants)		22	22					22
Total	168	23	191				168	23

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 /ø"	2" and under					6" 8" 12"			Totals
				2 1/4 to 3 1/4	4"	6"	8"	12"	Other sizes (specify)			
Concrete			Cast Iron									
Earth			Welded steel			3800	9570	10150	1200			24720
Wood			Standard screw	2220	720	600						3540
Steel	3	338000	Cement-asbestos					1488				1488
Other			Plastic	1380	400	3180	5750	3760	400			14870
			Other (specify)									
Total	3	338000	Total	1380	2220	1120	7580	15320	15398	1600		44618

**DECLARATION**

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

I, the undersigned (officer, partner or owner) of Llano Del Rio 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 January 1, 2002 to and including December 31, 2002

Signed John Blalock  
President

Title 3/5/03

Date