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**CLASS D
WATER UTILITIES**

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**2010
ANNUAL REPORT
OF**

Llano Del Rio Water Company

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

32810-165th Street East

Llano, CA

93544

(OFFICIAL MAILING ADDRESS) 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

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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 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, 2010, through December 31, 2010. 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)

32810-165th Street East

(Official mailing address)

Llano, CA 93544 Los Angeles County

(Service Area - Town and County)

Telephone Number: 661-944-2939

Fax Number: 661-944-2830

Email Address: ---

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

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: John Blalock, President; James Lombardi, Secretary
Treasurer; Ruth Kampmann, Vice President. 32810-165th St. E. Llano, CA 93544

2. If unincorporated provide the name and address of the owner(s) or the partners:

3. Name, title, and telephone number of:

(A) One person listed above to receive correspondence: John Blalock, President, 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?

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 W. 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
/		
/		
/		

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

Barry D. Fear D-2

Dwight Coleman D-1

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

N/A

**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: _____
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

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

\$ _____

N/A

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total		

3. Summary of the bank account activities showing:

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:

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		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
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 (AS OF DECEMBER 31, 2010)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	465704	201	Common Stock (Corporations only)	127250
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	350039
3	103	Water plant held for future use		215	Retained earnings	653736
4	104	Water plant purchased or sold		218	Proprietary capital	
5	105	Water plant construction work in progress		224	Long term debt	238654
6	108	Accumulated depreciation of water plant	313160		Current Liabilities	175258
7	114	Water plant acquisition adjustments		252	Advances for construction	
8	124	Other investments		253	Other deferred credits	
9	131	Cash	36776	255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers	4474	282	Accumulated deferred income taxes - ACRS depreciation	
11	142	Receivables from associated companies				
12	151	Materials and supplies		283	Accumulated deferred income taxes - other	
13	174	Other current assets	6706	271	Contributions in aid of construction	
14	180	Deferred charges for period Adj.	36000	272	Accumulated amortization of contributions	
15	132	Total Assets	237464		Total Equity and Liabilities	237464

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	15989				15989
3	304	Structures					
4	307	Wells					
5	317	Other water source plant	149				149
6	311	Pumping equipment	75047	3760			78807
7	320	Water treatment plant	23090				23090
8	330	Reservoirs tanks and sandpipes	49958				49958
9	331	Water mains	188636				188636
10	333	Services and meter installations	3305				3305
11	334	Meters	20142	906			21048
12	335	Hydrants	1980				1980
13	339	Other equipment	82740				82740
14	340	Office furniture and equipment					
15	341	Transportation equipment					
16		Total water plant in service	461038				465704

* 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	
1	Balance in reserves at beginning of year	307635		A. Method used to compute depreciation expense (Acct. 403) and rate.
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 272			S/L 3.19%
4	(b) Charged to Account No. 403	5525		
5	(c) Charged to Account No. 407			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 \$
6	(d) Salvage recovered			
7	(e) All other credits			
8	Total credits	5525		
9	Deduct: Debits to reserves during year			C. State method used to compute tax depreciation.
10	(a) Book cost of property retired			
11	(b) Cost of removal			
12	(c) All other debits			S/L
13	Total debits			
14	Balance in reserve at end of year	313160		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

*Investment in a mutual water company dating back to 1912. This is the par value of the stock.

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2010)

Line				
1	Common - (Shares	1225	\$ 10.00	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 - \$		Black Eddy Ranch 11525
4	- Preferred	Rate - \$		Richard W. Black Trust 1200

SCHEDULE E - LONG-TERM DEBTS

	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

1	Acct.	Operating revenues	
2	460	Unmetered water revenue	594
3	462	Fire protection revenue	-
4	465	Irrigation revenue	35697
5	470	Metered water revenue	118115
6	475	Approved Total Surcharge Revenue(s)	-
7	480	Other water revenue	13248
8		Total Revenue Received	167704
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	-
11		Total Operating Revenue	167704
12		Operating expenses	
13	610	Purchased water	8029
14	615	Purchased power	25373
15	618	Other volume related expenses	4071
16	630	Employee labor	32023
17	640	Materials	5618
18	650	Contract work	17212
19	660	Transportation expenses	8943
20	664	Other plant maintenance expense	-
21	670	Office salaries	15284
22	671	Management salaries	24120
23	674	Employee pensions and benefits	
24	676	Uncollectible accounts expense	
25	678	Office services and rentals	2100
26	681	Office supplies and expense	4637
27	682	Professional services	14620
28	684	Insurance	8215
29	688	Regulatory commission expense	
* 30	689	General expenses	* 2016
31		Total Operating Expenses	180861
32	403	Depreciation expense	5525
33	407	SDWBA loan amortization expense	-
34	408	Taxes other than income taxes	3183
35	409	State income tax expense	800
36	410	Federal income tax expense	-
37		Total Operating Revenue Deductions	190369
38		Utility Operating Income	(22665)
39	421	Non-utility income	3
40	426	Miscellaneous non-utility expense	
41	427	Interest expense	(7045)
42		Net Income	(29707)

* 690 Water Quality Memorandum Account 8600

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 Priority Right		(Unit) Diversions		Annual Quantities Diverted Unit
	Claim	Capacity	Max	Min	
Purchased water (unit)				Annual Quantity	
Supplier:					

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential	July	Feb	4,846,744 cu. ft.
Commercial			
Industrial			
Fire Protection			
Irrigation	July	Feb	598,258 gal. ft.
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
1	630	Employee Labor	2	32023		32023
2	670	Office salaries	2	15284		15284
3	671	Management salaries	2	24120		24120
4		Total	6			71427

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	32	
1-in	257	
-in 1 1/2	2	
-in 2	1	
Total	292	

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	164						164	
Industrial/Commercial	7	1					7	1
Irrigation								
Fire Protection (public)		22						22
Fire Protection (private)	8						8	
Other (specify)	3						3	
Total	182	23					182	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							Totals
			10" and under	2" and under	2 1/4 to 3 1/4	4"	6"	8"	12"	
Concrete			Cast Iron							
Earth			Welded steel				3800	4430	10150	1200
Wood			Standard screw							
Steel	3	338000	Cement-asbestos						1488	1488
Other			Plastic	1380		400	3180	5890	3900	400
			Other (specify)	2300	720	600				
			galvanized							
Total			Total	1380	2200	1120	7580	15320	15588	1600

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2010, 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

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

	AMOUNT
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:

DECLARATION

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

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

of Llano Del Rio 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 of January 1, 2010, through December 31, 2010.

President

Title (Please Print)

John Blalock

Signature

661-944-2939

Telephone Number

3/10/2011

Date