

AS AMENDED

Received _____

Examined _____

CLASS B and C
WATER UTILITIES

U# _____

2001 ANNUAL REPORT OF

MESA CREST WATER COMPANY
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P.O. BOX 257

LA CANADA, CA 91012
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2001

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2002
(FILE TWO COPIES IF THREE RECEIVED)

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION

2120 MAIN STREET, SUITE 265
HUNTINGTON BEACH, CALIFORNIA 92648

MATT A. PEASLEY, CPA
CHRISTIAN L. ALDINGER, CPA
MARA ROSSI O'BYMACHOW, CPA

(714) 536-4418
FAX (714) 536-2039

May 20, 2002

California Public Utilities Commission
Telecommunication Division
Financial Report Section, Room 3251
505 Van Ness Avenue
San Francisco, CA 94102-3298

Please accept the enclosed AMENDED Annual Report for Mesa Crest Water Company, year ended December 31, 2001. This report replaces the one submitted on April 30, 2002. Subsequent to the previous filing, it was discovered that there was a calculation error in the regulatory balancing account and recalculation was necessary. All appropriate schedules have been revised in the enclosed report.

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION



Christian L. Aldinger
Certified Public Accountant

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION

2120 MAIN STREET, SUITE 285
HUNTINGTON BEACH, CALIFORNIA 92648

MATT A. PEASLEY, CPA
CHRISTIAN L. ALDINGER, CPA
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(714) 536-4418
FAX (714) 536-2039

March 28, 2002

Ms. Sean Wilson
CALIFORNIA PUBLIC UTILITIES COMMISSION
Financial Report Section, Room 3251
505 Van Ness Avenue
San Francisco, CA 94102


Dear Ms. Wilson:

We have been engaged by **Mesa Crest Water Company** to prepare their 2001 Annual Report to the Public Utilities Commission, which requires the annual report to be filed by March 31, 2002. On their behalf, we are respectfully requesting an extension until April 30, 2002, to complete and submit the 2001 Annual Reports.

This letter is being faxed to your attention at (415) 703-4415, and the original is being sent via U.S. mail. We would appreciate if you could fax us your response at (714) 536-2039.

Sincerely,

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION



Julie A. Hammeras
Certified Public Accountant

Julie Hammeras

From: "Wilson, Sean" <smw@cpuc.ca.gov>
To: "Julie Hammeras" <julie.hammeras@paocpas.com>
Sent: Thursday, March 28, 2002 4:18 PM
Subject: RE: Annual report extension requests

Thank you for the extension requests. The dates you requested will be fine.

-----Original Message-----

From: Julie Hammeras [mailto:julie.hammeras@paocpas.com]
Sent: Thursday, March 28, 2002 3:51 PM
To: Sean Willson
Subject: Annual report extension requests

Sean,

Here is the Word file with the extension requests for the annual reports. Since they aren't on letterhead, if you need to contact me the number is 714-536-4418 and fax number is 714-536-2039.

I was wondering, maybe I don't have the right fax number for you, and that's why you didn't get the letters. The number I have is 415-703-4415. Is that right?

Thank you.

Julie Hammeras
Peasley, Aldinger & O'Bymachow
julie@paocpas.com

3/28/2002

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.

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(714) 536-4418
FAX (714) 536-2039

ACCOUNTANT'S COMPILATION REPORT

May 20, 2002

Mesa Crest Water Company
P.O. Box 257
La Canada Flintridge, CA 91012


We have compiled the balance sheets of Mesa Crest Water Company as of December 31, 2001 and 2000, and the related income statement for the year ended December 31, 2001, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information included on pages 4 (Schedule A-1) through 14 (Schedule A-17), pages 16 (Schedule B-1) through 20 (Schedule C-2), and pages 1 through 4 of Selected Financial Data - Class A, B, C, and D Water Companies 2001, and Class B, C, and D Water Companies Safe Drinking Water Bond Act Data.

Our compilation was limited to presenting, in the form prescribed by the Public Utilities Commission of the State of California, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) are presented in accordance with the requirements of the Public Utilities Commission of the State of California, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The supplementary information contained on page 1 (General Information) and page 20 (Schedule C-3) through page 24 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION



Christian L. Aldinger
Certified Public Accountant

INSTRUCTIONS

FOR PREPARATION OF

SELECTED FINANCIAL DATA SHEET

FOR CLASS A, B, C AND D, WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instruction below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

**SELECTED FINANCIAL DATA - CLASS A, B, C, AND D WATER COMPANIES
2001**

NAME OF UTILITY: MESA CREST WATER COMPANY

PHONE: (818) 790-2071

PERSON RESPONSIBLE FOR THIS REPORT TIMOTHY FLYNN
(Prepared from Information in the 2001 Annual Report)

BALANCE SHEET DATA		Jan. 1, 2001	Dec. 31, 2001	Average
1	Intangible Plant	0	0	0
2	Land	29,651	29,651	29,651
3	Depreciable Plant	1,561,470	1,566,147	1,563,809
4	Gross Plant In Service	1,591,121	1,595,798	1,593,460
5	Less: Accum. Depreciation	(1,095,571)	(1,142,579)	(1,119,075)
6	Net Water Plant In Service	495,550	453,219	474,385
	Water Plant Held for Future Use	0	0	0
8	Construction Work In Progress	0	0	0
9	Materials and Supplies	0	0	0
10	Less: Advances for Construct.	0	0	0
11	Contrib. in Aid of Constr.	(86,575)	(78,437)	(82,506)
12	Accum. Deferred Inc. Tax Credits	(52,067)	(46,458)	(49,263)
13	Net Plant Investment	356,908	328,324	342,616

CAPITALIZATION

14	Common Stock	355,000	355,000	355,000
15	Proprietary Capital (Ind. or Part)	0	0	0
16	Paid-in Capital	0	0	0
17	Retained Earnings	151,080	99,503	125,292
18	Common Equity (14 through 17)	506,080	454,503	480,292
19	Preferred Stock	60,000	60,000	60,000
20	Long-Term Debt (includes current portion)	6,799	0	3,400
21	Notes Payable	0	0	0
22	Total Capitalization (Lines 18 thru 21)	572,879	514,503	543,691

NAME OF UTILITY: MESA CREST WATER COMPANY

PHONE: (818) 790-2071

INCOME STATEMENT

Annual
Amount

			<u> </u>
23	Unmetered Water Revenue		0
24	Fire Protection Revenue		738
25	Irrigation Revenue		54,317
26	Metered Water Revenue		771,384
27	Total Operating Revenue		<u>826,439</u>
28	Total Operating Expenses		<u>787,414</u>
29	Depreciation Expense (Composite Rate 3.01%)		38,870
30	Amortization and Property Losses		0
31	Property Taxes		3,876
32	Taxes Other Than Income Taxes		10,081
33	Total Operating Rev. Deductions Before Taxes		<u>840,241</u>
34	Calif. Corp. Franchise Tax		1,687
35	Fed. Corporate Income Tax		650
36	Total Operating Revenue Deduction After Taxes		<u>842,578</u>
37	Net Operating Income/(Loss)(Calif. Water Operations)		(16,139)
38	Other Oper. and Nonoper. Inc/Exp. - Net (Excl. Interest Exp.)		1,111
39	Income Available for Fixed Charges		<u>(15,028)</u>
40	Interest Expense		<u>(1,582)</u>
41	Net Income/(Loss) Before Dividends		(16,610)
42	Preferred Stock Dividends		0
43	Net Income (Loss) Available for Common Stock		<u>(16,610)</u>

OTHER DATA

			<u> </u>
44	Refunds of Advances for Construction		0
45	Total Payroll Charged to Operating Expenses		<u>109,302</u>
46	Purchased Water		<u>394,167</u>
47	Power		<u>97,326</u>

Active Serv. Connections(Excl. Fire Protect.)

Jan. 1 Dec. 31 Annual Average

48	Metered Service Connections	706	709	708
49	Flat Rate Service Connections	0	0	0
50	Total Active Service Connections	<u>706</u>	<u>709</u>	<u>708</u>

(Revised 10/97)

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

Please provide the following information related to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period.

1 Current Fiscal Agent:

Name: N/A
Address: _____
Phone Number: _____
Date Hired: _____

2 Former Fiscal Agent:

Name: Bank of America
Address: 900 Eighth Street, Sacramento, CA 95814
Phone Number: _____
Date Hired: 1985

3 Total surcharge collected from customers during the 12 month reporting period

\$ 0

4 Summary of bank account activity showing:

Balance at beginning of year	\$ <u>0</u>
Deposits during the year	<u>0</u>
Withdrawals made for loan payments	<u>0</u>
Other withdrawals from this account	<u>0</u>
Balance at end of year	<u>0</u>

5 Account information:

Bank name: Bank of America
Account Number: 1489-2-50139
Date Opened: 1985

6 Plant amounts included in Schedule A-1a, 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		NON-DEPRECIABLE PLANT					
2	301	Intangible Plant					0
3	303	Land					0
4		Total non depreciable plant	0	0	0	0	0
5		DEPRECIABLE PLANT					0
6	304	Structures					0
7	307	Wells					0
8	317	Other water source plant					0
9	311	Pumping equipment					0
10	320	Water treatment plant					0
11	330	Reservoirs, tanks & sandpipes	129,694				129,694
12	331	Water mains					0
13	333	Services and meter install					0
14	334	Meters					0
15	335	Hydrants					0
16	339	Other equipment					0
17	340	Office furniture and equipment					0
18	341	Transportation equipment					0
19		Total depreciable plant	129,694	0	0	0	129,694
20		Total water plant in service	129,694	0	0	0	129,694

GENERAL INFORMATION

1. Name under which utility is doing business:
Mesa Crest Water Company

2. Official mailing address:
P.O. Box 257, La Canada Flintridge, CA 91012

3. Name and title of person to whom correspondence should be addressed:
Timothy Flynn Telephone: (818) 790-2071

4. Address where accounting records are maintained:
4532 Rinetti Lane, Unit C, La Canada, CA 91011

5. Service Area: (Refer to district reports if applicable):
La Canada, CA

6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
Name:
Address: same as above Telephone: (818) 790-2071

7. OWNERSHIP. Check and fill in appropriate line:
[] Individual (name of owner)
[] Partnership (name of partner)
[] Partnership (name of partner)
[] Partnership (name of partner)
[] Corporation (corporate name): Mesa Crest Water Company
Organized under laws of (state) California Date: 1956

Principal Officers:
(Name) Joyce H. Flynn (Title) President
(Name) Timothy Flynn (Title) V.P.
(Name) F. P. Flynn (Title) Secretary
(Name) Tom Flynn (Title) Treasurer

8. Names of associated companies:
n/a

9. Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:
n/a Date:
Date:
Date:

10. Use the space below for supplementary information or explanations concerning this report:
n/a

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		UTILITY PLANT			
2	101	Water plant in service	4	1,595,798	1,591,121
3	103	Water plant held for future use	5	0	0
4	104	Water plant purchased or sold			
5	105	Water plant construction work in progress		0	0
6		Total utility plant		1,595,798	1,591,121
7	106	Accumulated depreciation of water plant	6	(1,142,579)	(1,095,571)
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments		(1,142,579)	(1,095,571)
10		Net utility plant		453,219	495,550
11		INVESTMENTS			
12	121	Non-utility property and other assets	5	0	0
13	122	Accumulated depreciation of non-utility property	6	0	0
14		Net non-utility property		0	0
15	123	Investments in associated companies			
16	124	Other investments			
17		Total investments		0	0
18		CURRENT AND ACCRUED ASSETS			
19	131	Cash		162,954	160,648
20	132	Special accounts		0	0
21	141	Accounts receivable - customers		62,791	76,176
22	142	Receivables from associated companies			
23	143	Accumulated provision for uncollectible accounts			
24	151	Materials and supplies			
25	174	Other current assets	7	61,683	64,674
26		Total current and accrued assets		287,428	301,498
27	180	Deferred Charges and other Noncurrent Assets		0	0
28		Total assets and deferred charges		740,647	797,048

**SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits**

Line No.	Acct No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		CORPORATE CAPITAL AND SURPLUS			
2	201	Common stock	9	355,000	355,000
3	204	Preferred stock	9	60,000	60,000
4	211	Other paid-in capital	9	0	0
5	215	Retained Earnings	10	99,503	151,080
6		Total corporate capital and retained earnings		514,503	566,080
7		PROPRIETARY CAPITAL			
8	218	Proprietary Capital	10		
9	218.1	Proprietary drawings	10		
10		Total Proprietary Capital		0	0
11		LONG-TERM DEBT			
12	224	Long term debt	11	533	6,799
13	225	Advances from associated companies	12	0	0
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		59,003	65,134
16	232	Short term notes payable		0	0
17	233	Customer deposits		924	1,386
18	235	Payables to associated companies	12	0	0
19	236	Accrued taxes		0	0
20	237	Accrued interest		0	0
21	241	Other current liabilities	13	40,789	9,757
22		Total current and accrued liabilities		100,716	76,277
23		DEFERRED CREDITS			
24	252	Advances for construction	13	0	0
25	253	Other credits	8	0	9,250
26	255	Accumulated deferred investment tax credits	13	16,358	17,168
27	282	Accumulated deferred income taxes-ACRS depreciation	13	20,835	22,014
28	283	Accumulated deferred income taxes-other	13	9,265	12,885
29		Total deferred credits		46,458	61,317
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	14	250,495	250,495
32	272	Accumulated amortization of contributions		(172,058)	(163,920)
33		Net contributions in aid of construction		78,437	86,575
34		Total liabilities and other credits		740,647	797,048

SCHEDULE A-1
Account No. 100-Utility Plant

Line	Acct	Account	Balance Beginning of Year	Plant Additions During Year	Plant Retirements During Year	Other Debits or (Credits)	Balance End of Year
1	101	Water plant in service	1,591,121	4,677		0	1,595,798
2	103	Water plant held for future use					0
3	104	Water plant purchased or sold					0
4	105	Construction work in progress-water plant					0
5	114	Water plant acquisition adjustments					0
6		Total utility plant	1,591,121	4,677	0	0	1,595,798

SCHEDULE A-1a
Account No. 101-Water Plant in Service (1)

Line No.	Acct No.	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					0
3	303	Land	29,651				29,651
4		Total non-depreciable plant	29,651	0	0	0	29,651
5		DEPRECIABLE PLANT					
6	304	Structures	11,960				11,960
7	307	Wells					0
8	317	Other water source plant					0
9	311	Pumping equipment	293,606				293,606
10	320	Water treatment plant					0
11	330	Reservoirs, tanks and standpipes	353,477				353,477
12	331	Water mains	553,393				553,393
13	333	Services and meter installations	74,585				74,585
14	334	Meters	70,891	4,171			75,062
15	335	Hydrants	43,127				43,127
16	339	Other equipment	6,441	506			6,947
17	340	Office furniture and equipment	35,795				35,795
18	341	Transportation equipment	118,195	0			118,195
19		Total depreciable plant	1,561,470	4,677	0	0	1,566,147
20		Total water plant in service	1,591,121	4,677	0	0	1,595,798

SCHEDULE A-1b
Account No. 103 - Water Plant Held for Future Use

Line No.	Description and Location of Property	Date of Acquisition (b)	Approximate Date When Property Will be Placed in Service (d)	Balance End of Year (e)
1				
2	NONE			
3				
4				
5				
6				
7				
8				
9				
10	Total			0

SCHEDULE A-2
Account No. 121 - Non-utility Property and Other Assets

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1		
2	NONE	
3		
4		
5		
6		
7		
8		
9		
10	Total	0

SCHEDULE A-3
Accounts Nos. 108 and 122-Depreciation and Amortization Reserves

Line No.	Item (a)	Account 108	Account 108.1	Account 122
		Water Plant (b)	SDWBA Loans (c)	Non-utility Property (d)
1	Balance in reserves at beginning of year	957,036	138,535	0
2	Add: Credits to reserves during year			
3	(a) Charged to Account No.403(Footnote1)	38,870		
4	(b) Charged to Account No. 272	8,138		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits(Footnote2)		0	
8	Total credits	47,008	0	0
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			
12	(b) All other debits(Footnote3)			
13	Total debits	0	0	0
14	Balance in reserve at end of year	1,004,044	138,535	0
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE:			
16				3.01%
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19	Amortization to A/C 407	0		
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS			
24				
25				
26				
27				
28				
29	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:			
30	(a) Straight line	<input checked="" type="checkbox"/>		
31	(b) Liberalized	<input type="checkbox"/>		
32	(1) Sum of year digits	<input type="checkbox"/>		
33	(2) Double declining balance	<input type="checkbox"/>		
34	(3) Other ACRS/MACRS	<input checked="" type="checkbox"/>		
35	(c) Both straight line and liberalized	<input checked="" type="checkbox"/>		

SCHEDULE A-3a
Account No. 108--Analysis of Entries in Depreciation Reserve

Line No.	Acct. No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1	304	Structures	11,150	80			11,230
2	307	Wells	0				0
3	317	Other Water Source Plant	0				0
4	311	Pumping equipment	261,175	10,335			271,510
5	320	Water treatment plant	0				0
6	330	Reservoirs, tanks and standpipes	177,318	4,655			181,973
7	331	Water mains	268,777	10,902			279,679
8	333	Services and meter installations	48,821	1,611			50,432
9	334	Meters	60,388	1,620			62,008
10	335	Hydrants	25,574	975			26,549
11	339	Other equipment	2,388				2,388
12	340	Office furniture and equipment	29,074	3,214			32,288
13	341	Transportation equipment	72,371	13,616			85,987
14		Total	957,036	47,008	0	0	1,004,044

SCHEDULE A-4
Account No. 174--Other Current Assets

Line No.	Item (a)	Amount (b)
1	Miscellaneous Receivable	1,838
2	Stockholder Receivable	56,895
3	Balancing Account - Undercollection	(6,249)
4	Prepaid Taxes	9,199
5		
6		
7		
8		
9		
10	Total	61,683

SCHEDULE A-13

Accounts Nos. 180 and 253-Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense of premium applicable to each class and series of long-term debt.
 2. Show premium amounts in red or by enclosure in parentheses.
 3. In column (b) show the principal amount of bonds or other long-term debt originally issued.

4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
 5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Com-

mission's authorization of treatment other than as specified by the Uniform System of Accounts.
 6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net Premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From- (d)	To- (e)				
1									
2									0
3	NONE								0
4									
5									
6									
7	Total		0			0	0	0	0
8									
9									
10									
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SCHEDULE A-6
Accounts Nos. 201 and 204-Capital Stock

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common Stock		50,000	\$10.00	35,500	355,000		\$3,150
2	Preferred Stock		75,000	\$10.00	6,000	60,000		
3								
4								
5								
6								
7	Totals		125,000		41,500	415,000		\$3,150

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK Name (a)	Number Shares (b)	PREFERRED STOCK Name (c)	Number Shares (d)
1	F. Patrick Flynn	35,500	F. Patrick Flynn	6,000
2				
3				
4				
5				
6				
7				
8	Total number of shares	35,500	Total number of shares	6,000

SCHEDULE A-8
Account No. 211 -- Other Paid In Capital (Corporations only)

Line No.	Type of Paid in Capital (a)	Balance End of Yr (b)
1		
2	NONE	
3		
4	Total	0

SCHEDULE A-9
Account No. 215 -- Retained Earnings
(Corporations Only)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	151,080
2	CREDITS	
3	Net Income	
4	Prior period adjustments	
5		
5	Total credits	0
7	DEBITS	
8	Net Losses	16,610
9	Prior period adjustments - 2000 tax true-up	5,378
10	Dividend appropriations-preferred stock - 2001 \$3,150	3,150
11	Prior year deferred revenue adj (net of def tex)	26,439
12	Total debits	51,577
13	Balance end of year	99,503

SCHEDULE A-10
Account No. 218--Proprietary Capital
Sole Proprietor or Partnership

Line No.	Account (a)	Amount (b)
		N/A
1	Balance beginning of year	0
2	CREDITS	
3	Net Income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total credits	
7	DEBITS	0
8	Net Losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total debits	0
12	Balance end of year	0

SCHEDULE A-11
Account No.224--Long Term Debt

Line No.	Class (a)	Dates of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
1	SDWBA	1983	1998	138,535	0	7.40%	0	0
2	USAA Auto Loan	1996	2001	n/a	0	8.35%	0	0
3	Dell Computer Loan	1998	2001	n/a	0	9.78%	0	123
4	Ford Credit Loan	2000	2003	n/a	6,799	3.90%	0	393
5	Less Current Portion				(6,266)			
6	Totals				533		0	516

SCHEDULE A-12
Account No. 225 Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	NONE				
2					
3					
4	Totals	0		0	0

SCHEDULE A-13
Account No. 235 --Payables to Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	NONE				
2					
3					
4	Totals	0		0	0

SCHEDULE A-14
Account No. 241-Other Current Liabilities

Line No.	Description (a)	Balance End of Year (b)
1	Current Portion of long term debt (Schedule A-11)	6,266
2	PUC Fee Payable	2,579
3	Current Portion of Advances for Construction	0
4	Work Order Deposits	8,000
5	Deferred Revenue (DWR overcollection)	23,944
6		
7	Total	40,789

SCHEDULE A-15
Account No. 252--Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXX	0
2	Additions during year	XXXXXXXXXXXX	0
3	Subtotal-Beginning balance plus additions during year	XXXXXXXXXXXX	0
4	Charges during year:	XXXXXXXXXXXX	XXXXXXXX
5	Refunds	XXXXXXXXXXXX	XXXXXXXX
6	Percentage of revenue basis	0	XXXXXXXX
7	Proportionate cost basis	0	XXXXXXXX
8	Present Worth Basis		XXXXXXXX
9	Total refunds	0	XXXXXXXX
10	Transfers to Acct. 271, CIAC	XXXXXXXXXXXX	XXXXXXXX
11	Due to Expiration of Contracts		
12	Due to present worth discount	XXXXXXXXXXXX	
13	Total transfers to Acct. 271		
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - Charges during the year	0	
16	Balance end of year		0
17	Less Currently refundable portion		0
18	Balance end of year		0

SCHEDULE A-15
Account Nos. 255, 282, and 283--Deferred Taxes

Line No.	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax ACRS Depreciation (c)	Account 283 Other (d)
1	Deferred Inc Tax - MACRS			12,375
2	Deferred Inc Tax - ACRS		20,835	
3	Deferred Inc Tax - Balancing Acct			482
4	Deferred Inc Tax - Deferred Revenue DWR			(3,592)
5	Deferred ITCs	16,358		
6				
7	Totals	16,358	20,835	9,265

SCHEDULE A-17

**Account No. 271-Contributions in Aid of Construction
Instructions for Preparation of Schedule of Contributions in Aid of Construction**

- 1 The credit balance in the account other than that portion of the balance relating to nondepreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to the account and credits to Account No. 108, Accumulated depreciation of water plant, over a period equal to the reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account No. 108. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.
- 2 That portion of the balance applicable to nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.
- 3 That portion of the balance representing donations on property retired prior to January 1, 1955 (column), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 (e)	Depreciation Accrued through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	86,575	86,575			
2	Add: Credits to account during year					
3	Contributions received during year	0	0			
4	Other credits*	0	0			
5	Total credits	0	0			
6	Deduct: Debits to account during year					
7	Depreciation charges for year	8,138	8,138			
8	Nondepreciable donated property retired	0				
9	Other debits*	0				
10	Total debits	8,138	8,138			
11	Balance end of year	78,437	78,437	0	0	0

**SCHEDULE B
Income Statement**

Line No.	Acct. No.	Account (a)	Schedule Page No. (b)	Amount (c)
1		UTILITY OPERATING INCOME		
2	400	Operating revenues	16	826,439
3		OPERATING REVENUE DEDUCTIONS		
4	401	Operating expenses	17	787,414
5	403	Depreciation expense		38,870
6	407	SDWBA loan amortization expense		0
7	408	Taxes other than income taxes		13,957
8	409	State corporate income tax expense	18	1,687
9	410	Federal corporate income tax expense	18	650
10		Total operating revenue deductions		842,578
11		Total utility operating income		(16,139)
12		OTHER INCOME AND DEDUCTIONS		
13	421	Non-utility income	19	1,111
14	426	Miscellaneous non-utility expense	19	0
15	427	Interest expense	19	(1,582)
16		Total other income and deductions		(471)
17		Net Income		(16,610)

SCHEDULE B-1
Account No. 400-Operating Revenues

Line No.	Acct. No.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Changes During Year Show Decrease in (Brackets) (d)
1		WATER SERVICE REVENUES			
2	460	Unmetered water revenue			0
3		460.1 Single-family residential			0
4		460.2 Commercial and multi-residential			0
5		460.3 Large water users			0
6		460.5 Safe Drinking Water Bond Surcharge			0
7		460.9 Other unmetered revenue			0
8		Subtotal	0	0	0
9	462	Fire protection revenue			
10		462.1 Public fire protection			0
11		462.2 Private fire protection	738	738	0
12		Subtotal	738	738	0
13	465	Irrigation revenue	54,317	71,031	(16,714)
14	470	Metered water revenue			0
15		470.1 Single family residential	675,871	725,592	(49,721)
16		470.2 Commercial and multi-residential	0	0	0
17		470.3 Large water users	95,513	85,534	9,979
18		470.5 Safe Drinking Water Bond Surcharge	0	0	0
19		470.9 Other metered revenue	0	0	0
20		Subtotal	771,384	811,126	(39,742)
21		Total water service revenues	826,439	882,895	(56,456)
22	480	Other water revenue	0	0	0
23		Total operating revenue	826,439	882,895	(56,456)

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
1		PLANT OPERATION AND MAINTENANCE EXPENSES			
2		VOLUME RELATED EXPENSES			
3	610	Purchased Water	394,167	418,783	(24,616)
4	615	Power	97,326	86,403	10,923
5	616	Other volume related expenses	0	0	0
6		Total volume related expenses	491,493	505,186	(13,693)
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee Labor	74,462	73,440	1,022
9	640	Materials	7,260	5,692	1,568
10	650	Contract work	24,077	27,237	(3,160)
11	660	Transportation expenses	40,833	42,441	(1,608)
12	664	Other plant maintenance expenses	1,624	2,737	(1,113)
13		Total non-volume related expenses	148,256	151,547	(3,291)
14		Total plant operation and maintenance exp.	639,749	656,733	(16,984)
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	8,840	26,545	(17,705)
17	671	Management salaries	26,000	9,386	16,614
18	674	Employee pensions and benefits	35,531	40,116	(4,585)
19	676	Uncollectible accounts expense	0	0	0
20	678	Office services and rentals	20,228	16,996	3,232
21	681	Office supplies and expenses	23,068	20,607	2,461
22	682	Professional services	8,376	4,982	3,394
23	684	Insurance	13,233	12,513	720
24	688	Regulatory commission expenses	957	728	229
25	689	General expenses	11,432	11,022	410
26		Total administrative and general expenses	147,665	142,895	4,770
27	800	Expenses capitalized	0	0	0
28		Net administrative and general expenses	147,665	142,895	4,770
29		Total operating expenses	787,414	799,628	(12,214)

SCHEDULE B-3
Account No. 408,409,410 --Taxes Charged During Year

Line No.	Type of Tax (a)	Total taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	3,876	3,876	
2	State corp. franchise tax	1,687	1,687	
3	State unemployment insurance tax	224	224	
4	Other state and local taxes	1,271	1,271	
5	Federal unemployment insurance tax	224	224	
6	Federal insurance contributions act	6,777	6,777	
7	Other federal taxes	1,585	1,585	
8	Federal income tax	650	650	
9				
10				
11	Totals	16,294	16,294	0

SCHEDULE B-4
Reconciliation of Reported Net Income With Taxable Income for Federal Taxes

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 15	(16,610)
2	Reconciling amounts (list first additional income and unallowable deductions, followed by	
3	additional deductions and non-taxable income):	
4		
5	Nondeductible CWA Dues	2,098
6	Federal tax accrual	650
7	Accrual to Cash Adjustment	7,204
8	2001 State Tax	1,687
9	Balancing Account Change	11,343
10	Book vs Tax Depreciation Difference	8,433
11	2000 State Tax	(4,189)
12	Rounding	2
13		
14		
15	Federal tax net income	10,618
16	Computation of tax: 10,618 * 15%	1,593
17		
18		
19		

SCHEDULE B-5
Account 421 and 426 - Income from Nonutility Operations

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1	Interest Income	1,111		
2	Misc. Income	0		
3				
4				
4				
5	Totals	1,111	0	1,111

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	DWR loan	0
2	Computer loan	123
3	Auto loan	0
4	Insurance loan	202
5	Franchise Tax Board - Late Fee	194
6	Ford Credit - Auto Loan	393
7	PUC payable interest	670
8		
9	Totals	1,582

SCHEDULE C-1
Compensation of Individual Proprietor, Partners and Employees Included in Expenses

Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Chg to Exp (c)	Salaries Chg to Plant (d)	Total Salaries and Wages Pd (e)
1	630	Employee Labor	2	74,462		74,462
2	670	Office Salaries	1	8,840		8,840
3	671	Management Salaries	1	26,000		26,000
4						0
5	800					0
6		Total	4	109,302	0	109,302

SCHEDULE C-2
Loans to Directors, Officers, or Shareholders

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (f)	Security Given (g)	Date of Shareholder Authorization (h)	Other Information (i)
1	F.P. Flynn	shareholder	56,895	n/a	n/a	none	none	s/t receivable
2								
3								
4								
5								
6								
7	Total		56,895					

SCHEDULE C-3
Engineering and Management Fees and Expenses, Etc., During Year

Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.	
1	1. Did the respondent have a contract or other agreement with any organization or person covering supervision	
2	and/or management of its own affairs during the year? Answer: (Yes or No.) NO	
3	(If the answer is in the affirmative, make appropriate replies to the following questions.)	
4	2. Name of each organization or person that was a party to such a contract or agreement.	
5		
6	3. Date of original contract or agreement.	
7	4. Date of each supplement or agreement.	
8	5. Amount of compensation paid during the year for supervision or management.....	
9	6. To whom paid.	
10	7. Nature of payment (salary, traveling expenses, etc.).	
11	8. Amounts paid for each class of service.	
12		
13	9. Basis for determination of such amounts.	
14		
15	10. Distribution of payments:	Amount
16	(a) Charged to operating expenses	
17	(b) Charged to capital accounts	
18	(c) Charged to other accounts	
19	Total	
20	11. Distribution of charges to operating expenses by primary accounts.	
21	Number and Title of Account	Amount
22		
23		
24		
25	Total	
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
27		

**SCHEDULE D-1
Sources of Supply and Water Developed**

STREAMS				FLOW IN _____ (Unit) ²				Annual Quantities Diverted (Unit) ²	Remarks
Line No.	Diverted Into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max	Min		
1	N/A								
WELLS									
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water	Pumping Capacity (Unit) ²	Annual Quantities Pumped (Unit) ²	Remarks	
6	N/A								
7									
8									
9									
10									
TUNNELS AND SPRINGS									
Line no.	Designation	Location	Number	Maximum	Minimum	FLOW IN (Unit) ²		Quantities Used (Unit) ²	Remarks
11									
12	N/A								
13									
14									
15									
Purchased Water for Resale									
16	Purchased from		Foothill Municipal Water District						
17	Annual quantities purchased		299,579					(Unit chosen) ¹	ccf
18									

*State ditch, pipe line, reservoir, etc., with name, if any.
¹Average depth to water surface below ground surface.
²The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second, in gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.

**SCHEDULE D-2
Description of Storage Facilities**

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
20	A. Collecting Reservoirs			
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution reservoirs			
25	Concrete			
26	Earth			
27	Wood			
28	C. Tanks			
29	Wood			
30	Metal	6	3,440,000	Gallons
31	Concrete			
32	Totals	6	3,440,000	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES

1	
2	N/A
3	
4	
5	

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Concluded)

1	
2	N/A
3	
4	
5	

B. FOOTAGES OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING ^(A)

Line No.		1	1.5	2	2.5	3	4	5	6	8
11	Cast Iron									
12	Cast Iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement--asbestos						3,410		14,966	7,580
19	Welded steel						425		1,560	225
20	Wood									
21	Other									
22	Totals	0	0	0	0	0	3,835	0	16,526	7,805

B. FOOTAGES OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING ^(A)

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)		Totals All Sizes
23	Cast Iron/Ductile Iron									0
24	Cast Iron (cement lined)		100							100
25	Concrete									0
26	Copper									0
27	Riveted steel									0
28	Standard screw									0
29	Screw or welded casing									0
30	Cement--asbestos	4,570	20,376							50,902
31	Welded steel		2,375							4,585
32	Galvanized									0
33	Other--PVC									0
34	Totals	4,570	22,851	0	0	0	0	0	0	55,587

SCHEDULE D-4
Number of Active Service Connections

Classification	Metered-Dec.31		Flat Rate-Dec.31	
	Prior Year	Current Year(a)	Prior Year	Current Year
Single family residential	666	659		
Commercial				
Large water users	8	8		
Public authorities	2	2		
Irrigation	27	27		
Other (specify)				
Sub-total	703	706	0	0
Private fire connections	3	3	3	3
Public fire hydrants			66	66
Total	706	709	69	69

SCHEDULE D-5
Number of Meters and Services on Pipe Systems
at End of Year (a)

Size	Meters	Services
5/8 x 3/4-in.	134	XXXXXXXX
3/4-in.	1	135
1-in.	547	547
1-1/2-in.	12	12
2-in.	10	10
3-in.	2	2
4-in.	0	0
6-in.		
8-in.		
Other	3	3
Total	709	709

SCHEDULE D-6

Meter Testing Data

A. Number of Meters Tested During Year as Prescribed	
1. Now, after being received	_____
2. Used, before repair	_____
3. Used, after repair	_____
4. Found fast, requiring billing adjustment .	_____
B. Number of Meters in Service Since Last Test.	
1. Ten years or less	_____
2. More than 10, but less than 15 years	_____
3. More than 15 years	_____

SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in Ccf (Unit Chosen)¹ (a)

Classification of Service	During Current Year							Subtotal
	January	February	March	April	May	June		
Single Family Residential	14,645	8,665	10,616	13,157	21,376	18,537	86,996	
Commercial							0	
Industrial	469	255	296	390	3,901	2,935	8,246	
Public Auth.							0	
Irrigation	1,356	557	625	1,543	1,974	1,583	7,638	
Other - LA Co. Sewer	0	0	0	0	0	0	0	
Reclaimed Water							0	
Total	16,470	9,477	11,537	15,090	27,251	23,055	102,880	

Classification of Service	During Current Year							Subtotals	Total	Total Prior Year
	July	August	September	October	November	December				
Single Family residential	29,708	27,105	25,187	20,931	18,650	11,487	133,068	220,064	226,557	
Commercial							0	0	0	
Industrial	10,598	10,074	6,064	3,511	285	241	30,773	39,019	35,052	
Public Auth.							0	0	0	
Irrigation	2,996	3,057	2,947	2,735	2,105	614	14,454	22,092	29,111	
Other - LA Co. Sewer	0	0	0	0	0	0	0	0	3	
Reclaimed Water							0	0	0	
Total	43,302	40,236	34,198	27,177	21,040	12,342	178,295	281,175	290,723	

1. Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated: _____ Total population served _____

