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Received _____
Examined _____

CLASS B and C
WATER UTILITIES

U# _____

2001
ANNUAL REPORT
OF

NACIMIENTO WATER COMPANY

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

P.O. BOX 1703

PASO ROBLES, CA 93447

(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)

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, not by a public accountant.
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 calander year, from Janauary 1 through December 31. Fiscal year reports will not be accepted.

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 NACIMIENTO WATER COMPANY

PHONE 805-472-2540

PERSON RESPONSIBLE FOR THIS REPORT TIMOTHY D. BEAN

(Prepared from Information in the 2001 Annual Report)

	1/1/01	12/31/01	Average
BALANCE SHEET DATA			
1 Intangible Plant	81,024	81,024	81,024
2 Land and Land Rights	-	-	-
3 Depreciable Plant	2,458,244	2,500,798	2,479,521
4 Gross Plant in Service	2,539,268	2,581,822	2,560,545
5 Less: Accumulated Depreciation	(734,245)	(790,693)	(762,469)
6 Net Water Plant in Service	1,805,023	1,791,129	1,798,076
7 Water Plant Held for Future Use	-	-	-
8 Construction Work in Progress	-	-	-
9 Materials and Supplies	-	-	-
10 Less: Advances for Construction	(2,881)	(2,881)	(2,881)
11 Less: Contribution in Aid of Construction	(1,559,932)	(1,527,855)	(1,543,894)
12 Less: Accumulated Deferred Income and Investment Tax Cred	()	()	-
13 Net Plant Investment	242,210	260,393	251,302
CAPITALIZATION			
14 Common Stock	25,000	25,000	25,000
15 Proprietary Capital (Individual or Partnership)	-	-	-
16 Paid-in Capital	159,200	159,200	159,200
17 Retained Earnings	(106,886)	(91,772)	(99,329)
18 Common Stock and Equity (Lines 14 through 17)	77,314	92,428	84,871
19 Preferred Stock	-	-	-
20 Long-Term Debt	6,228	28,294	17,261
21 Notes Payable	136,616	129,188	132,902
22 Total Capitalization (Lines 18 through 21)	220,158	249,910	235,034

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

NAME OF UTILITY NACIMIENTO WATER COMPANY

PHONE 805-472-2540

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	1,419
24 Fire Protection Revenue	27,375
25 Irrigation Revenue	
26 Metered Water Revenue	213,006
27 Total Operating Revenue	241,800
28 <u>Operating Expenses</u>	192,981
29 Depreciation Expense (Composite Rate _____)	13,833
30 Amortization and Property Losses	
31 Property Taxes	1,964
32 Taxes Other Than Income Taxes	7,365
33 Total Operating Revenue Deduction Before Taxes	216,143
34 California Corp. Franchise Tax	800
35 Federal Corporate Income Tax	
36 Total Operating Revenue Deduction After Taxes	216,943
37 Net Operating Income (Loss) - California Water Operations	24,857
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	
39 Income Available for Fixed Charges	24,857
40 Interest Expense	9,743
41 Net Income (Loss) Before Dividends	15,114
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	15,114

OTHER DATA

44 Refunds of Advances for Construction	-
45 Total Payroll Charged to Operating Expenses	89,670
46 Purchased Water	10,420
47 Power	27,762

Active Service Connections (Exc. Fire Protect.) 73

	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections	549	557	553
49 Flat Rate Service Connections	-	-	-
50 Total Active Service Connections	549	557	553

**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: N/A

Name: _____
Address: _____
Phone Number: _____
Date Hired: _____

2. Former Fiscal Agent: N/A

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-1a, Account No. 101--Water Plant in Service which were funded using SDWBA funds: N/A

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					

GENERAL INFORMATION

1 Name under which utility is doing business: Nacimiento Water Company

2 Official mailing address: P.O. Box 1703
Paso Robles, CA ZIP 93447

3 Name and title of person to whom correspondence should be addressed: Peggy Bean
Telephone: (805)472-2540

4 Address where accounting records are maintained: Same

5 Service Area: (Refer to district reports if applicable.) Paso Robles, CA
San Luis Obispo County

6 Service Manager (if located in or near Service Area): (Refer to district reports if applicable.)

Name: N/A

Address: _____ Telephone: _____

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) Nacimiento Water Company
Organized under laws of (state) California

Principal Officers:

(Name) Peggy Bean (Title) President

(Name) Timothy D. Bean (Title) Vice President

(Name) _____ (Title) _____

(Name) _____ (Title) _____

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: _____

Date: _____

10 Use the space below for supplementary information or explanations concerning this report:

**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	2,581,822	2,539,268
3	103	Water plant held for future use	5		
4	104	Water plant purchased or sold			
5	105	Water plant construction work in progress			
6		Total utility plant		2,581,822	2,539,268
7	106	Accumulated depreciation of water plant	6	(790,693)	(734,245)
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments		(790,693)	(734,245)
10		Net utility plant		1,791,129	1,805,023
11		INVESTMENTS			
12	121	Non-utility property and other assets	5		
13	122	Accumulated depreciation of non-utility property	6		
14		Net non-utility property			
15	123	Investments in associated companies			
16	124	Other investments			
17		Total investments			
18		CURRENT AND ACCRUED ASSETS			
19	131	Cash		8,829	4,008
20	132	Special accounts			
21	141	Accounts receivable - customers		2,177	
22	142	Receivables from associated companies			
23	143	Accumulated provision for uncollectible accounts			
24	151	Materials and supplies			
25	174	Other current assets	7		
26		Total current and accrued assets		11,006	4,008
27	180	Deferred charges (undisbursed loan proceeds)			
28		Total assets and deferred charges		1,802,135	1,809,031

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	25,000	25,000
3	204	Preferred stock	9		
4	211	Other paid-in capital	9	159,200	159,200
5	215	Retained earnings	10	(91,772)	(106,886)
6		Total corporate capital and retained earnings		92,428	77,314
7		PROPRIETARY CAPITAL			
8	218	Proprietary capital	10		
9	218.1	Proprietary drawings			
10		Total proprietary capital			
11		LONG TERM DEBT			
12	224	Long term debt	11	28,294	6,228
13	225	Advances from associated companies	12		
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		14,472	15,008
16	232	Short term notes payable			
17	233	Customer deposits			
18	235	Payables to associated companies	12		
19	236	Accrued taxes		7,017	5,971
20	237	Accrued interest			
21	241	Other current liabilities (shareholder loan)	13	129,188	141,699
22		Total current and accrued liabilities		150,677	162,678
23		DEFERRED CREDITS			
24	252	Advances for construction	13	2,881	2,881
25	253	Other credits	8		
26	255	Accumulated deferred investment tax credits	13		
27	282	Accumulated deferred income taxes - ACRS depreciation	13		
28	283	Accumulated deferred income taxes - other	13		
29		Total deferred credits		2,881	2,881
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	14	2,141,326	2,130,786
32	272	Accumulated amortization of contributions		(613,471)	(570,856)
33		Net contributions in aid of construction		1,527,855	1,559,930
34		Total liabilities and other credits		1,802,135	1,809,031

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water plant in service	2,539,268	42,554			2,581,822
2	103	Water plant held for future use					
3	104	Water plant purchased or sold					
4	105	Construction work in progress - water plant			XXXXXXXXXXXXX		
5	114	Water plant acquisition adjustments			XXXXXXXXXXXXX		
6		Total utility plant	2,539,268	42,554			2,581,822

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

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

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant	81,024				81,024
3	303	Land					
4		Total non-depreciable plant	81,024				81,024
5		DEPRECIABLE PLANT					
6	304	Structures	313,413				313,413
7	307	Wells	78,449	10,540			88,989
8	317	Other water source plant	36,636				36,636
9	311	Pumping equipment	55,001				55,001
10	320	Water treatment plant	848,341				848,341
11	330	Reservoirs, tanks and sandpipes	195,221	5,032			200,253
12	331	Water mains	620,892				620,892
13	333	Services and meter installations	159,420				159,420
14	334	Meters	47,057				47,057
15	335	Hydrants	36,000				36,000
16	339	Other equipment	29,639				29,639
17	340	Office furniture and equipment	12,978				12,978
18	341	Transportation equipment	25,197	26,982			52,179
19		Total depreciable plant	2,458,244	42,554			2,500,798
20		Total water plant in service	2,539,268	42,554			2,581,822

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

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

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property will be placed in Service (c)	Balance End of Year (d)
1				
2	N/A			
3				
4				
5				
6				
7				
8				
9				
10	Total			

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	N/A	
3		
4		
5		
6		
7		
8		
9		
10	Total	

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

Line No.	Item (a)	Account 106 Water Plant (b)	Account 106.1 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	734,245		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	13,833		
4	(b) Charged to Account No 272	42,615		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits	56,448		
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			
12	(c) All other debits (Footnote 3)			
13	Total debits	-		
14	Balance in reserve at end of year	790,693		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			%
16	Straight line 5 - 50 years			
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19				
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	[]		
31	(b) Liberalized	[]		
32	(1) Sum of the years digits	[]		
33	(2) Double declining balance	[]		
34	(3) Other	[]		
35	(c) Both straight line and liberalized	[X]		

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 of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)	
1	304	Structures	Detail by account is not available - See attached					
2	307	Wells	depreciation schedule.					
3	317	Other water source plant						
4	311	Pumping equipment						
5	320	Water treatment plant	724,228	52,956			777,184	
6	330	Reservoirs, tanks and sandpipes						
7	331	Water mains						
8	333	Services and meter installations						
9	334	Meters						
10	335	Hydrants						
11	339	Other equipment						
12	340	Office furniture and equipment	2,247	73			2,320	
13	341	Transportation equipment	7,770	3,419			11,189	
14		Total	734,245	56,448			790,693	

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

Line No.	Item (a)	Amount (b)
1		
2		
3	N/A	
4		
5		
6		
7		
8		
9		
10		

SCHEDULE A-6
Account 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	6/25/1969		\$1	25000	25,000		
2								
3								
4								
5								
6							Total	

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number of Shares (b)	PREFERRED STOCK	Number of Shares (d)
	Name (a)		Name (c)	
1	Peggy Bean	19000		
2	Timothy D. Bean	6000		
3				
4				
5				
6				
7	Total number of shares	25000	Total number of shares	

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

Line No.	Type of Paid in Capital (a)	Balance End of Year (b)
1	Additional paid in capital	159,200
2		
3		
4	Total	159,200

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	(106,886)
2	CREDITS	
3	Net income	15,114
4	Prior period adjustments	
5	Other credits (detail)	
6	Total credits	15,114
7		
8	DEBITS	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	
14	Total debits	-
15	Balance end of year	(91,772)

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

N/A

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	CREDITS	
3	Net income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total credits	
7	DEBITS	
8	Net losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total debits	
12	Balance end of year	

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

N/A

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3					
4	Totals				

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

N/A

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3					
4	Totals				

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

Line No.	Description (a)	Balance End of Year (b)
1	Shareholder loan	129,188
2		
3		
4		
5	Totals	129,188

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXXXXXX	2,881
2	Additions during year	XXXXXXXXXXXXXXXXXX	-
3	Subtotal - Beginning balance plus additons during year	XXXXXXXXXXXXXXXXXX	2,881
4	Charges during year:	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis		XXXXXXXXXXXXXXXXXX
7	Proportionate cost basis		XXXXXXXXXXXXXXXXXX
8	Present worth basis		XXXXXXXXXXXXXXXXXX
9	Total refunds		XXXXXXXXXXXXXXXXXX
10	Transfers to Acct. 271, Contributions in aid of Construction	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts	-	XXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 271	-	XXXXXXXXXXXXXXXXXX
14	Securities Exchanged for Contracts (Enter detail below)		XXXXXXXXXXXXXXXXXX
15	Subtotal - charges during year	-	-
16	Balance end of year	XXXXXXXXXXXXXXXXXX	2,881

SCHEDULE A-16
Account Nos. 255, 282, and 283 - Deferred Taxes

N/A

Line No	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 - Other (d)
1				
2				
3				
4				
5	Totals			

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 this account and credits to Account No. 106, Accumulated depreciation of water plant, over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation 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. 106. 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 e), 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 Services at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	2,130,786	2,130,786			
2	Add: Credits to account during year	-	-			
3	Contributions received during year	10,540	10,540			
4	Other credits*					
5	Total credits	10,540	10,540			
6	Deduct: Debits to Account during year					
7	Depreciation charges for year					
8	Nondepreciable donated property retired					
9	Other debits*					
10	Total debits	-	-			
11	Balance end of year	2,141,326	2,141,326			

* Indicate nature of these items and show the accounts affected by the contra entries

**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	241,800
3		OPERATING REVENUE DEDUCTIONS		
4	401	Operating expenses	17	192,981
5	403	Depreciation expense		13,833
6	407	SDWBA loan amortization expense		
7	408	Taxes other than income taxes		9,329
8	409	State corporate income tax expense	18	800
9	410	Federal corporate income tax expense	18	-
10		Total operating revenue deductions		216,943
11		Total utility operating income		24,857
12		OTHER INCOME AND DEDUCTIONS		
13	421	Non-utility income	19	
14	426	Miscellaneous non-utility expense	19	
15	427	Interest expense	19	9,743
16		Total other income and deductions		9,743
17		Net income		15,114

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceeding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
1		WATER SERVICE REVENUES			
2	460	Unmetered water revenue			
3		460.1 Single - family residential			
4		460.2 Commercial and multi-residential			
5		460.3 Large water users			
6		460.5 Safe Drinking Water Bond Surcharge			
7		460.9 Other unmetered revenue	1,419	2,543	(1,124)
8		Sub-total	1,419	2,543	(1,124)
9	462	Fire protection revenue			
10		462.1 Public fire protection	27,375	22,172	5,203
11		462.2 Private fire protection			
12		Sub-total	27,375	22,172	5,203
13	465	Irrigation revenue			
14	470	Metered water revenue			
15		470.1 Single-family residential	213,006	173,741	39,265
16		470.2 Commercial and multi-residential			
17		470.3 Large water users			
18		470.5 Safe Drinking Water Bond Surcharge			
19		470.9 Other metered revenue			
20		Sub-total	213,006	173,741	39,265
21		Total water service revenues	241,800	198,456	43,344
22	480	Other water revenue			
23		Total operating revenues	241,800	198,456	43,344

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	10,420	11,506	(1,086)
4	615	Power	27,762	21,202	6,560
5	616	Other volume related expenses	1,700	7,757	(6,057)
6		Total volume related expenses	39,882	40,465	(583)
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee labor	39,330	21,642	17,688
9	640	Materials	11,348	6,232	5,116
10	650	Contract work	6,824	2,907	3,917
11	660	Transportation expenses	10,555	8,107	2,448
12	664	Other plant maintenance expenses	3,894	3,190	704
13		Total non-volume related expenses	71,951	42,078	29,873
14		Total plant operation and maintenance exp.	111,833	82,543	29,290
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	14,260	12,920	1,340
17	671	Management salaries	36,080	33,813	2,267
18	674	Employee pensions and benefits	13,240	14,127	(887)
19	676	Uncollectible accounts expense			-
20	678	Office services and rentals	2,700	1,500	1,200
21	681	Office supplies and expenses	3,666	4,129	(463)
22	682	Professional services	1,392	1,530	(138)
23	684	Insurance	7,757	10,561	(2,804)
24	688	Regulatory commission expense			-
25	689	General expenses	2,053	1,950	103
26		Total administrative and general expenses	81,148	80,530	618
27	800	Expenses capitalized			
28		Net administrative and general expense	81,148	80,530	618
29		Total operating expenses	192,981	163,073	29,908

SCHEDULE B-3

Account No. 408, 409, 410 - Taxes Charged During the 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	1,964	1,964	
2	State corporate franchise tax	800	800	
3	State unemployment insurance tax	259	259	
4	Other state and local taxes			
5	Federal unemployment insurance tax	249	249	
6	Federal insurance contributions act	6,859	6,859	
7	Other federal taxes			
8	Federal income taxes			
9				
10				
11	Totals	10,131	10,131	

SCHEDULE B-4

Reconciliation of Reported Net Income for Federal Income 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 _____. N/A

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	15,114
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
5	Federal vs. Book depreciation adjustment	318
5	Federal tax deferred charges paid during the year	-
6	Accrued interest on shareholder loan at 12/31/00 paid in 2001	(26)
7	Accrued interest on shareholder loan at 12/31/01	1,061
8	Non-deductible penalties paid in 2000	80
9		
10	Federal tax net income	16,547
11	Computation of tax:	
12	N/A - Federal tax net operating loss carryforward	(16,547)
13		
14	Federal taxable income	-
15		
16		
17		

SCHEDULE B-5
Account No. 421 and 426 - Income from Nonutility Operations

N/A

Line No.	Description (a)	Revenues Acct. 421 (b)	Expenses Acct. 426 (c)
1			
2			
3			
4			
5	Total		

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	Interest on shareholder loans	9,056
2	Interest on long-term debt	687
3	Other interest expense	-
4		
5		
6		
7		
8		
9		
10	Total	9,743

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 Charged to Expense (c)	Salaries Charged to Plant Accounts (d)	Total Salaries and Wages Paid (e)
1	630	Employee Labor	2	39,330		39,330
2	670	Office salaries	1	14,260		14,260
3	671	Management salaries	2	36,080		36,080
4						
5						
6		Total	5	89,670		89,670

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

N/A

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (e)	Security Given (f)	Date of Shareholder Authorization (g)	Other Information (h)
1								
2								
3								
4								
5								
6								
7	Total							

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. Management salaries represent paid to shareholders.		
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	N/A		
6	3. Date of original contract or agreement. N/A		
7	4. Date of each supplement or agreement. N/A		
8	5. Amount of compensation paid during the year for supervision or management \$ \$ 36,080		
9	6. To whom paid Peggy Bean \$ 3,125		
	Timothy D. Bean \$ 32,955		
10	7. Nature of payment (salary, traveling expenses, etc.). Salaries		
11	8. Amounts paid for each class of service.		
12			
13	9. Basis for determination of such amounts Monthly salary		
14			
15	10. Distribution of payments: Amount		
16	(a) Charged to operating expenses		36,080
17	(b) Charged to capital amounts		
18	(c) Charged to other account		
19	Total		36,080
20	11. Distribution of charges to operating expenses by primary accounts		
21	Number and Title of Account		Amount
22	671 - Management salaries		36,080
23			
24			
25	Total		36,080
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?		
27			
* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.			

**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								
2								
3								
4								
5								

WELLS						Pumping Capacity (Unit) 2	Annual Quantities Pumped (Unit) 2	Remarks
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water			
6	Lake bottom							
7	1		1		100	100	N/A	
8	2		1		100	145	N/A	
9	3		1		100	255	N/A	
10								

TUNNELS AND SPRINGS				FLOW IN (Unit) 2		Annual Quantities Pumped (Unit) 2	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11							
12							
13							
14							
15							

Purchased Water for Resale			
16	Purchased from	Monterey County Flood Control	
17	Annual Quantities purchased	114.23	(Unit chosen) 1 A/F
18			
19			

* State ditch pipeline reservoir, etc., with name, if any.
1 Average depth to water surface below ground surface
2 The quantity unit in established use for experiencing 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
1	A. Collecting reservoirs			
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal			
12	Concrete	2	820000	
13	Totals	2	820000	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

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

Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____

Line No.		0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume								
3	Lined conduit								
4									
5	Totals								

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded

Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____

Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lines conduit								
9									
10	Totals								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING

Line No.		1	1 1/2	2	2 1/2	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						770		11881	30429
19	Welded steel					400	1000			
20	Wood									
21	Other (specify)									
22	Totals					400	1770		11881	30429

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Concluded

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)	Total All Sizes
23	Cast Iron								0
24	Cast iron (cement lined)								0
25	Concrete								0
26	Copper								0
27	Riveted steel								0
28	Standard screw								0
29	Screw or welded casing								0
30	Cement - asbestos	8435							51515
31	Welded steel								1400
32	Wood								0
33	Other (specify)								0
34	Totals	8435							52915

**SCHEDULE D-4
Number of Active Service Connections**

Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior	Current	Prior	Current
	Year	Year	Year	Year
Single family residential	544	552		
Commercial and Multi-residential				
Large water users				
Public authorities				
Irrigation				
Other (specify) Community	3	3		
Landscaping	2	2		
Subtotal	549	557		
Private fire connections				
Public fire hydrants			73	73
Total	549	557	73	73

**SCHEDULE D-5
Number of Meters and Services on
Pipe Systems at End of Year**

Size	Meters	Services
3/4 x 3/4 - in	118	XXXXXXXXXXXXXX
3/4 - in	434	
1 - in	2	
- in	3	
- in		
- in		
- in		
- in		
Other		
Hydrants		73
Total	557	73

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, 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 hundreds cubic feet (Unit Chosen):**

Classification of Service	During Current Year (Information available by quarter)							Subtotal
	January	February	March	April	May	June	July	
Single-family residential			7837			6351		14188
Commercial and Multi-residential								
Large water users								
Public authorities								
Irrigation								
Other (specify)								
Total			7837			6351		14188

Classification of Service	During Current Year (Information available by quarter)						Subtotal	Total Prior Year
	August	September	October	November	December	Subtotal		
Single-family residential		12059			17084	29143	43331	49903.2
Commercial and Multi-residential								
Large water users								
Public authorities								
Irrigation								
Other (specify)								
Total		12059			17084	29143	43331	49903.2

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 552 residences

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3/27/2002
15:21

NACIMIENTO WATER COMPANY
Federal ID #: 94-1936776
Asset Summary - Book Basis
Period Ended 12/31/01

Company: NAC
Page: 1

<u>Num</u>	<u>Loc</u>	<u>Property Description</u>	<u>Acquired</u>	<u>T</u>	<u>Method</u>	<u>Life</u>	<u>Cost/Basis</u>	<u>179 Exp/AFD</u>	<u>Prior Depr.</u>	<u>Current Depr.</u>	<u>Ending Depr.</u>
Group # 1 NON - C.I.A.C. PROPERTY											
4	1	WATER PLANT	07/01/83	R	SL	50	141,107.00	0.00	50,045.00	2,822.00	52,867.00
5	1	WATER PLANT	07/01/83	R	SL	50	43,475.00	0.00	14,170.00	870.00	15,040.00
6	1	WATER PLANT	07/01/85	R	SL	50	4,084.00	0.00	1,172.00	82.00	1,254.00
7	1	WATER PLANT	07/01/86	R	SL	50	66,154.00	0.00	18,400.00	1,323.00	19,723.00
9	1	WATER PLANT	07/01/87	R	SL	50	2,362.00	0.00	633.00	47.00	680.00
11	1	WATER PLANT	07/01/88	R	SL	50	17,842.00	0.00	4,284.00	357.00	4,641.00
12	1	15 HP PUMP	01/31/89	A	SL	7	2,867.00	0.00	3,158.00	0.00	3,158.00
13	1	10 HP PUMP	12/31/89	A	SL	7	2,425.00	0.00	3,117.00	3.00	3,120.00
14	1	WATER PLANT	07/01/89	N	SL	20	37,937.00	0.00	21,246.00	1,897.00	23,143.00
15	1	NEW METER	07/01/89	N	SL	20	1,569.00	0.00	858.00	78.00	936.00
16	1	METERS	12/31/90	N	SL	20	2,531.00	0.00	1,270.00	127.00	1,397.00
17	1	NEW PUMPS	09/25/90	N	SL	20	4,244.00	0.00	2,272.00	212.00	2,484.00
18	1	METERS	02/03/91	N	SL	20	709.00	0.00	347.00	35.00	382.00
19	1	COPIER	10/25/91	O	SL	10	638.00	0.00	587.00	64.00	651.00
20	1	SENSU METER	12/26/92	N	SL	20	750.00	0.00	304.00	38.00	342.00
21	1	FILTER SAND	04/08/92	N	SL	20	414.00	0.00	184.00	21.00	205.00
22	1	LORRES OZONE SPECTROMET	12/26/92	O	SL	10	5,795.00	0.00	4,640.00	580.00	5,220.00
24	1	PUMP-WELLS 1, 2 & 3	03/14/91	A	SL	7	3,603.00	0.00	4,633.00	515.00	5,148.00
25	1	NEW PUMPS-WELLS 1, 2, & 3	11/07/92	N	SL	20	2,135.00	0.00	874.00	107.00	981.00
26	1	FILTER SAND	04/17/92	N	SL	20	3,776.00	0.00	1,638.00	189.00	1,827.00
27	1	POCO PUMPS/FILTER PUMP	10/17/93	N	SL	20	626.00	0.00	222.00	31.00	253.00
28	1	SENSUS TECHNOLOGY 12 MET	02/08/93	N	SL	20	752.00	0.00	300.00	38.00	338.00
29	1	7.5HP PUMP WELL #3	01/15/95	N	SL	20	948.00	0.00	282.00	47.00	329.00
30	1	FILTER SAN REPLACEMENT	02/14/95	N	SL	20	93.00	0.00	29.00	5.00	34.00
31	1	6 SENSU 3/4" METERS	06/17/96	N	SL	20	414.00	0.00	94.00	21.00	115.00
32	1	18 SENSU 3/4" METERS	11/11/96	N	SL	20	1,278.00	0.00	267.00	64.00	331.00
33	1	TANK ROOF	08/17/98	R	SL	50	11,080.00	0.00	518.00	222.00	740.00
34	1	18 3/4" METERS	04/28/98	N	SL	20	1,435.00	0.00	192.00	72.00	264.00
35	1	TANK ROOF	06/01/01	N	SL	50	5,032.00	0.00	0.00	59.00	59.00
Group # 1 Total							<u>366,075.00</u>	<u>0.00</u>	<u>135,736.00</u>	<u>9,926.00</u>	<u>145,662.00</u>
Group # 2 EQUIPMENT											
1	1	EQUIPMENT	07/01/92	U	SL	5	13,780.00	0.00	13,780.00	0.00	13,780.00
2	1	EQUIPMENT	07/01/73	U	SL	5	2,974.00	0.00	2,974.00	0.00	2,974.00
3	1	EQUIPMENT	07/01/74	U	SL	5	459.00	0.00	459.00	0.00	459.00
10	1	OFFICE EQUIPMENT	07/01/87	O	SL	10	462.00	0.00	554.00	46.00	600.00
23	1	QUESTAR H.T. RADIO	04/23/92	O	SL	10	873.00	0.00	754.00	87.00	841.00
24	1	PHONE/FAX	05/18/93	N	SL	10	524.00	0.00	395.00	52.00	447.00
25	1	ELECTRONICS/SCANNER	03/22/94	N	SL	10	544.00	0.00	365.00	54.00	419.00
26	1	HP 560C PRINTER & MAX SOF	01/16/95	N	SL	10	541.00	0.00	320.00	54.00	374.00
27	1	MAXON HANDHELD RADIO	08/11/95	N	SL	10	380.00	0.00	206.00	38.00	244.00
28	1	1998 CHEVY	12/14/97	N	SL	10	25,197.00	0.00	7,770.00	2,520.00	10,290.00
29	1	COPIER	08/07/99	N	SL	20	268.00	0.00	19.00	13.00	32.00
30	1	RADIO EQUIPMENT	08/11/00	N	SL	10	1,435.00	0.00	60.00	144.00	204.00
31	1	GMAC UTILITY TRUCK	11/14/01	A	SL	5	26,982.00	0.00	0.00	899.00	899.00
Group # 2 Total							<u>74,419.00</u>	<u>0.00</u>	<u>27,656.00</u>	<u>3,907.00</u>	<u>31,563.00</u>
Group # 3 C.I.A.C. PROPERTY											
1	1	WATER PLANT	01/01/72	R	SL	50	680,447.00	0.00	378,088.00	13,609.00	391,697.00
2	1	WATER PLANT	01/01/73	R	SL	50	74,321.00	0.00	41,056.00	1,486.00	42,542.00
3	1	WATER PLANT	01/01/74	R	SL	50	216,520.00	0.00	114,745.00	4,330.00	119,075.00
4	1	WATER PLANT	02/01/99	N	SL	50	878,892.00	0.00	33,691.00	17,578.00	51,269.00
5	1	WATER PLANT	06/01/00	R	SL	50	280,606.00	0.00	3,274.00	5,612.00	8,886.00
6	1	WATER PLANT	12/31/01	N	SL	50	10,540.00	0.00	0.00	0.00	0.00

