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Received _____
Examined _____

**CLASS B and C
WATER UTILITIES**

U# 38W

**2001
ANNUAL REPORT
OF**

NORTH GUALALA WATER COMPANY

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

P O Box 1000, Gualala CA 95445-1000

(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.
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.

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 North Gualala Water Company PHONE 707-884-3579

PERSON RESPONSIBLE FOR THIS REPORT Jana Wareham
(Prepared from Information in the 2001 Annual Report)

	1/1/01	12/31/01	Average
BALANCE SHEET DATA			
1 Intangible Plant	541	541	541
2 Land and Land Rights	232,357	232,357	232,357
3 Depreciable Plant	6,776,427	6,797,063	6,786,745
4 Gross Plant in Service	7,009,325	7,029,961	7,019,643
5 Less: Accumulated Depreciation	1,415,785	1,621,438	1,518,612
6 Net Water Plant in Service	5,593,540	5,408,523	5,501,031
7 Water Plant Held for Future Use	-	-	-
8 Construction Work in Progress	-	19,194	9,597
9 Materials and Supplies	5,354	5,882	5,618
10 Less: Advances for Construction	-	-	-
11 Less: Contribution in Aid of Construction	(1,024,402)	(1,027,973)	(1,026,188)
12 Less: Accumulated Deferred Income & Investment Tax Credits	-	-	-
13 Net Plant Investment	4,574,492	4,405,625	4,490,059

CAPITALIZATION			
14 Common Stock	500	500	500
15 Proprietary Capital (Individual or Partnership)	-	-	-
16 Paid-in Capital	-	-	-
17 Retained Earnings	1,144,503	1,114,535	1,129,519
18 Common Stock and Equity (Lines 14 through 17)	1,145,003	1,115,035	1,130,019
19 Preferred Stock	-	-	-
20 Long-Term Debt	4,442,521	4,367,183	4,404,852
21 Notes Payable	-	-	-
22 Total Capitalization (Lines 18 through 21)	5,587,524	5,482,218	5,534,871

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

NAME OF UTILITY North Gualala Water Company PHONE 707-884-3579

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	0
24 Fire Protection Revenue	0
25 Irrigation Revenue	0
26 Metered Water Revenue	728,616
27 Total Operating Revenue	728,616
28 <u>Operating Expenses</u>	417,550
29 Depreciation Expense (Composite Rate 2.4%)	48,368
30 Amortization and Property Losses	126,962
31 Property Taxes	46,894
32 Taxes Other Than Income Taxes	15,341
33 Total Operating Revenue Deduction Before Taxes	655,115
34 California Corp. Franchise Tax	-
35 Federal Corporate Income Tax	-
36 Total Operating Revenue Deduction After Taxes	-
37 Net Operating Income (Loss) - California Water Operations	73,502
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	27,626
39 Income Available for Fixed Charges	101,128
40 Interest Expense	131,095
41 Net Income (Loss) Before Dividends	(29,967)
42 Preferred Stock Dividends	0
43 Net Income (Loss) Available for Common Stock	(29,967)

OTHER DATA

44 Refunds of Advances for Construction	-
45 Total Payroll Charged to Operating Expenses	175,311
46 Purchased Water	-
47 Power	-

			Annual Average
<u>Active Service Connections</u>	(Exc. Fire Protect.)	Jan. 1	Dec. 31
48 Metered Service Connections		940	952
49 Flat Rate Service Connections		0	0
50 Total Active Service Connections		940	946

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

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

1. Current Fiscal Agent:

Name: West America Bank
Address: Box 348, Gualala, CA 95445-0348
Phone Number: 707-884-3551
Date Hired: 8/1/96

2. Former Fiscal Agent:

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

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

\$ 212,989.92

4. Summary of the trust bank account activities showing:

Balance at beginning of year	<u>\$ 611,387.76</u>
Deposits during the year	<u>227,578.93</u>
Withdrawals made for loan payments	<u>207,057.54</u>
Other withdrawals from this account	<u>30.00</u>
Balance at end of year	<u>\$ 631,879.15</u>

5. Account information:

Bank Name: West America Bank
Account Number: 204-09789-3
Date Opened: 8/19/96

CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA (continued)

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					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures	65,178.31				65,178.31
7	307	Wells	18,228.41				18,228.41
8	317	Other water source plant	235,151.40				235,151.40
9	311	Pumping equipment	56,020.14				56,020.14
10	320	Water treatment plant	610,578.67				610,578.67
11	330	Reservoirs, tanks and sandpipes	885,218.89				885,218.89
12	331	Water mains	2,572,145.18				2,572,145.18
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	4,442,521.00	-	-	-	4,442,521.00
20		Total water plant in service	4,442,521.00	-	-	-	4,442,521.00

GENERAL INFORMATION

1 Name under which utility is doing business:

North Gualala Water Company

2 Official mailing address: **P O Box 1000**

Gualala, CA ZIP **95445-1000**

3 Name and title of person to whom correspondence should be addressed:

Telephone: **707-884-3579**

4 Address where accounting records are maintained: **38958 Cypress Way, Gualala, CA 95445**

5 Service Area: (Refer to district reports if applicable.)

Gualala River north 6 1/2 miles

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

Name:

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) _____
X	Corporation (corporate name) North Gualala Water Company
	Organized under laws of (state) California

Principal Officers:

(Name)	John H. Bower	(Title)	President
(Name)	John J. Bower	(Title)	VP/Treasury
(Name)	Michael Bower	(Title)	Secretary
(Name)		(Title)	

8 Names of associated companies:

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:

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	7,029,961.34	7,009,324.66
3	103	Water plant held for future use	5		
4	104	Water plant purchased or sold			
5	105	Water plant construction work in progress		19,193.96	
6		Total utility plant		7,049,155.30	7,009,324.66
7	106	Accumulated depreciation of water plant	6	1,621,438.49	1,415,785.08
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments		1,621,438.49	1,415,785.08
10		Net utility plant		5,427,716.81	5,593,539.58
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		30,967.60	55,951.80
20	132	Special accounts		631,879.15	611,387.76
21	141	Accounts receivable - customers		50,858.76	48,914.24
22	142	Receivables from associated companies			
23	143	Accumulated provision for uncollectible accounts			
24	151	Materials and supplies		5,881.89	5,354.00
25	174	Other current assets	7	454,794.32	361,092.89
26		Total current and accrued assets		1,174,381.72	1,082,700.69
27	180	Deferred charges	8		
28		Total assets and deferred charges		6,602,098.53	6,676,240.27

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	500.00	500.00
3	204	Preferred stock	9		
4	211	Other paid-in capital	9		
5	215	Retained earnings	10	1,114,535.12	1,144,502.54
6		Total corporate capital and retained earnings		1,115,035.12	1,145,002.54
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	4,367,182.95	4,442,521.00
13	225	Advances from associated companies	12		
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		44,456.43	15,960.37
16	232	Short term notes payable			
17	233	Customer deposits		4,410.00	4,640.00
18	235	Payables to associated companies	12		
19	236	Accrued taxes			
20	237	Accrued interest		43,040.55	43,664.78
21	241	Other current liabilities	13	-	50.00
22		Total current and accrued liabilities		91,906.98	64,315.15
23		DEFERRED CREDITS			
24	252	Advances for construction	13	-	-
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		-	-
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	14	1,294,282.08	1,260,387.08
32	272	Accumulated amortization of contributions		266,308.60	235,985.50
33		Net contributions in aid of construction		1,027,973.48	1,024,401.58
34		Total liabilities and other credits		6,602,098.53	6,676,240.27

**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	7,009,324.66	20,636.68	-	-	7,029,961.34
2	103	Water plant held for future use	-				-
3	104	Water plant purchased or sold	-				-
4	105	Construction work in progress - water plant	-	19,193.96	xxxxxxxxxxxx		19,193.96
5	114	Water plant acquisition adjustments	-		xxxxxxxxxxxx		-
6		Total utility plant	7,009,324.66	39,830.64	-	-	7,049,155.30

* 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	540.67				540.67
3	303	Land	232,357.24				232,357.24
4		Total non-depreciable plant	232,897.91	-	-	-	232,897.91
5		DEPRECIABLE PLANT					
6	304	Structures	133,291.91				133,291.91
7	307	Wells	109,620.44				109,620.44
8	317	Other water source plant	247,991.38				247,991.38
9	311	Pumping equipment	192,969.88	6,399.85			199,369.73
10	320	Water treatment plant	740,473.30				740,473.30
11	330	Reservoirs, tanks and sandpipes	1,147,908.27	6,454.83			1,154,363.10
12	331	Water mains	3,983,281.68				3,983,281.68
13	333	Services and meter installations	13,914.18				13,914.18
14	334	Meters	56,556.34				56,556.34
15	335	Hydrants	32,817.72				32,817.72
16	339	Other equipment	77,191.98	7,782.00			84,973.98
17	340	Office furniture and equipment	40,409.67				40,409.67
18	341	Transportation equipment					-
19		Total depreciable plant	6,776,426.75	20,636.68	-	-	6,797,063.43
20		Total water plant in service	7,009,324.66	20,636.68	-	-	7,029,961.34

* 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		
3		
4	N/A	
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	1,066,350.57	349,434.51	
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	48,367.92	126,962.39	
4	(b) Charged to Account No 272	30,323.10		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits	78,691.02	126,962.39	
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	1,145,041.59	476,396.90	
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			2.4%
16				
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	[X]		
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	[]		

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	24,536.72	1,521.51			26,058.23
2	307	Wells	23,170.18	2,175.65			25,345.83
3	317	Other water source plant	2,915.17	308.16			3,223.33
4	311	Pumping equipment	47,764.70	3,075.68			50,840.38
5	320	Water treatment plant	55,504.72	3,117.47			58,622.19
6	330	Reservoirs, tanks and sandpipes	145,845.38	4,231.00			150,076.38
7	331	Water mains	459,384.63	29,000.07			488,384.70
8	333	Services and meter installations	3,018.75	333.94			3,352.69
9	334	Meters	34,626.30	807.63			35,433.93
10	335	Hydrants	7,808.06	787.62			8,595.68
11	339	Other equipment	16,434.38	2,039.37			18,473.75
12	340	Office furniture and equipment	9,356.08	969.82			10,325.90
13	341	Transportation equipment					-
14		Total	830,365.07	48,367.92	-	-	878,732.99

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

Line No.	Item (a)	Amount (b)
1	DHS AB2158 Memorandum Account	3,724.61
2	Catastrophic Memorandum Account	(623.94)
3	Prepaid State Tax	10,520.00
4	Prepaid Federal Tax	11,960.00
5	Source of Supply Memorandum Account	323,274.67
6	Contingency Plan Memorandum Account	105,938.98
7	Accounts Receivable	
8		
9		
10		454,794.32

SCHEDULE A-5
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 or 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.
- 6 Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.
- also, data of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

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									
3		N/A							
4									
5									
6									
7									
8									
9									
10									
11									
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15									
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19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

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								
2		0						
3	N/A							
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	John H. Bower	500	N/A	
2				
3				
4				
5				
6				
7	Total number of shares	500	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		
2	N/A	
3		
4	Total	

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	1,144,502.54
2	CREDITS	
3	Net income	
4	Prior period adjustments	
5	Other credits (detail)	
6	Total credits	-
7		
8	DEBITS	
9	Net losses	(29,967.42)
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	
14	Total debits	(29,967.42)
15	Balance end of year	1,114,535.12

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

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	CREDITS	N/A
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-11
Account No. 224 - Long Term Debt

Line No.	Class (a)	Name of Issue (b)	Date of Issue (c)	Date of Maturity (d)	Principal Amount Authorized (e)	Outstanding Per Balance Sheet (f)	Rate of Interest (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	SDWBA-Water Resources		8/26/96	35 yrs	4442521.00	4367182.95	2.973%	131095.26		88054.71
2										
3										
4										
5										
6										

SCHEDULE A-12

Account No. 225 - Advances from Associated Companies

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

Schedule A-13

Account No. 235 - Payables to Associated Companies

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	N/A				
2					
3					
4	Totals				

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

Line No.	Description (a)	Balance End of Year (b)
1	N/A	
2		
3		
4		
5	Is	0.00

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

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	xxxxxxxxxxxxxxxx	0.00
2	Additions during year	xxxxxxxxxxxxxxxx	
3	Subtotal - Beginning balance plus additions during year	xxxxxxxxxxxxxxxx	0.00
4	Charges during year:	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
5	Refunds	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
6	Percentage of revenue basis		xxxxxxxxxxxxxxxx
7	Proportionate cost basis		xxxxxxxxxxxxxxxx
8	Present worth basis		xxxxxxxxxxxxxxxx
9	Total refunds	0.00	xxxxxxxxxxxxxxxx
10	Transfers to Acct. 271, Contributions in aid of Construction	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
11	Due to expiration of contracts		xxxxxxxxxxxxxxxx
12	Due to present worth discount		xxxxxxxxxxxxxxxx
13	Total transfers to Acct. 271	0.00	xxxxxxxxxxxxxxxx
14	Securities Exchanged for Contracts (Enter detail below)		xxxxxxxxxxxxxxxx
15	Subtotal - charges during year	0.00	
16	Balance end of year	xxxxxxxxxxxxxxxx	0.00

SCHEDULE A-16
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				
2				
3	N/A			
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	1024401.58	993581.58	30820.00		
2	Add: Credits to account during year	0.00				
3	Contributions received during year	33895.00	33895.00			
4	Other credits*	0.00				
5	Total credits	33895.00	33895.00	0.00		
6	Deduct: Debits to Account during year					
7	Depreciation charges for year	30323.10	30323.10			
8	Nondepreciable donated property retired	0				
9	Other debits*	0				
10	Total debits	30323.10	30323.10	0.00		
11	Balance end of year	1027973.48	997153.48	30820.00		

* 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	740,863.60
3		OPERATING REVENUE DEDUCTIONS		
4	401	Operating expenses	17	417,550.12
5	403	Depreciation expense		48,367.92
6	407	SDWBA loan amortization expense		126,962.39
7	408	Taxes other than income taxes		62,234.48
8	409	State corporate income tax expense	18	-
9	410	Federal corporate income tax expense	18	-
10		Total operating revenue deductions		655,114.91
11		Total utility operating income		85,748.69
12		OTHER INCOME AND DEDUCTIONS		
13	421	Non-utility income	19	15,379.15
14	426	Miscellaneous non-utility expense	19	
15	427	Interest expense	19	131,095.26
16		Total other income and deductions		(115,716.11)
17		Net income		(29,967.42)

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding 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			
8		Sub-total			
9	462	Fire protection revenue			
10		462.1 Public fire protection			
11		462.2 Private fire protection			
12		Sub-total			
13	465	Irrigation revenue			
14	470	Metered water revenue			
15		470.1 Single-family residential	350,839.69	339,863.10	10,976.59
16		470.2 Commercial and multi-residential	146,878.91	135,484.69	11,394.22
17		470.3 Large water users	-		-
18		470.5 Safe Drinking Water Bond Surcharge	230,897.88	236,729.13	(5,831.25)
19		470.9 Other metered revenue	-		
20		Sub-total	728,616.48	712,076.92	16,539.56
21		Total water service revenues	728,616.48	712,076.92	16,539.56
22	480	Other water revenue	12,247.12	14,898.72	(2,651.60)
23		Total operating revenues	740,863.60	726,975.64	13,887.96

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceeding 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			-
4	615	Power	66,973.07	48,019.92	18,953.15
5	616	Other volume related expenses	2,088.13	2,646.97	(558.84)
6		Total volume related expenses	69,061.20	50,666.89	18,394.31
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee labor	93,194.58	84,334.63	8,859.95
9	640	Materials	32,109.24	25,168.49	6,940.75
10	650	Contract work	12,866.29	8,839.64	4,026.65
11	660	Transportation expenses	30,808.50	27,982.50	2,826.00
12	664	Other plant maintenance expenses			-
13		Total non-volume related expenses	168,978.61	146,325.26	22,653.35
14		Total plant operation and maintenance exp.	238,039.81	196,992.15	41,047.66
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	44,637.25	35,413.00	9,224.25
17	671	Management salaries	43,684.00	38,705.00	4,979.00
18	674	Employee pensions and benefits	35,826.16	32,886.86	2,939.30
19	676	Uncollectible accounts expense	-	179.60	(179.60)
20	678	Office services and rentals	6,000.00	5,580.00	420.00
21	681	Office supplies and expenses	23,212.76	20,921.08	2,291.68
22	682	Professional services	3,739.00	9,645.19	(5,906.19)
23	684	Insurance	21,936.32	15,653.76	6,282.56
24	688	Regulatory commission expense	6,968.06	6,654.87	313.19
25	689	General expenses	4,578.00	2,848.00	1,730.00
26		Total administrative and general expenses	190,581.55	168,487.36	22,094.19
27	800	Expenses capitalized	(11,071.24)	(4,642.68)	(6,428.56)
28		Net administrative and general expense	179,510.31	163,844.68	15,665.63
29		Total operating expenses	417,550.12	360,836.83	56,713.29

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	46,893.88	46,893.88	
2	State corporate franchise tax	-	-	
3	State unemployment insurance tax	2,557.71	2,557.71	
4	Other state and local taxes	-	-	
5	Federal unemployment insurance tax	586.30	586.30	
6	Federal insurance contributions act	12,196.59	12,196.59	
7	Other federal taxes	-	-	
8	Federal income taxes	-	-	
9				
10				
11	Totals	62,234.48	62,234.48	

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 _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	(29,967.42)
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5		
6		
7	Additional Deduction Depreciation	(264,670.00)
8		
9		
10	Federal tax net income	(294,637.42)
11	Computation of tax:	34%
12		
13		
14		
15		
16		
17		

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

Line No.	Description (a)	Revenues Acct. 421 (b)	Expenses Acct. 426 (c)
1	Interest on Savings	790.14	
2	Interest on SDWBA Repayment Account	14,589.01	
3			
4			
5	Total	15,379.15	-

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	SDWBA	131,095.26
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	131,095.26

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	8	87,744.58	5,450.00	93,194.58
2	670	Office salaries	2	44,637.25		44,637.25
3	671	Management salaries	1	42,928.80	755.20	43,684.00
4						
5						
6		Total	11	175,310.63	6,205.20	181,515.83

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

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			N/A					
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.	
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)	
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 \$	N/A
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 amounts	\$
18	(c) Charged to other account	\$
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		
* 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	Integrated	Fish Rock		1					
2	Integrated	Bigh Gulch		1					
3	Integrated	Robinson		1					
4									
5									
WELLS						Pumping Capacity gpm (unit)	Annual Quantities Pumped(Unit) 2	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water				
6	#3-No. Fork	Gualala	1	8"	23' 3"		400		
7	#4-No. Fork	Gualala	1	8"	14' 3"		850		
8	#5-No. Fork	Gualala	1	8"	13'		700		
9									
10									
TUNNELS AND SPRINGS				FLOW IN (Unit) 2			Annual Quantities Pumped(Unit) 2	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum				
11									
12									
13	N/A								
14									
15									
Purchased Water for Resale									
16	Purchased from	N/A							
17	Annual Quantities purchased	(Unit chosen) 1							
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	1	26000	
11	Metal	12	1099280	
12	Concrete	34	255000	
13	Totals	47	1380280	

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		N/A						
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 100	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lines conduit		N/A						
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)						251		18	1011
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw			250			1797		271	
17	Screw or welded casing		40						210	
18	Cement - asbestos					1610	45732		10251	9920
19	Welded steel						2840		350	450
20	Wood									
21	Other (specify)		295	3600		2175	5274		16642	29576
22	Totals	0	335	3850	0	3785	55894	0	27742	40957

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		20							20
24	Cast iron (cement lined)	45	295							1620
25	Concrete									0
26	Copper									0
27	Riveted steel									0
28	Standard screw									2318
29	Screw or welded casing		122							372
30	Cement - asbestos		199							67712
31	Welded steel									3640
32	Wood									0
33	Other (specify)		22158							79720
34	Totals	45	22794	0	0	0	0	0	0	155402

**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	830	840		
Commercial and Multi-residential	110	112		
Large water users				
Public authorities				
Irrigation				
Other (specify)				
Subtotal	940	952	0	0
Private fire connections			95	98
Public fire hydrants				
Total	940	952	95	98

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

Size	Meters	Services
5/8 x 3/4 - in	928	XXXXXXXXXXXXXX
3/4 - in	7	
1 - in	10	
- in	5	
- in	2	
- in		
- in		
- in		
Other		
Total	952	

**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	352
2. More than 10, but less than 15 years	400
3. More than 15 years	200

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

Classification of Service	During Current Year							Subtotal	
	January	February	March	April	May	June	July		
Single-family residential	4200	3244	3265	3981	5870	6915	6822	34297	
Commercial and Multi-residential	1800	1385	1320	1625	2342	2576	2900	13948	
Large water users									
Public authorities									
Irrigation									
Other (specify)									
Total	6000	4629	4585	5606	8212	9491	9722	48245	
Classification of Service	During Current Year						Subtotal	Total	Total Prior Year
	August	September	October	November	December				
Single-family residential	6046	6086	5749	3823	3382	25086	59383	56160	
Commercial and Multi-residential	2707	2983	2462	1825	1360	11337	25285	26697	
Large water users									
Public authorities									
Irrigation									
Other (specify)									
Total	8753	9069	8211	5648	4742	36423	84668	82857	

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

Total acres irrigated _____ 0

Total population served _____ 3332

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