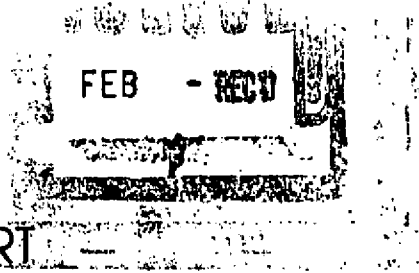


J4

Received _____
Examined _____

CLASS B and C
WATER UTILITIES

U# _____



2003
ANNUAL REPORT
OF

RIO PLAZA WATER COMPANY, INC.

8698 Roseland Avenue, RR#1 Moorpark, CA 93021

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

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2003

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2004
(FILE TWO COPIES IF THREE RECEIVED)

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.

GENERAL INFORMATION

1 Name under which utility is doing business: Rio Plaza Water Company, Inc.

2 Official mailing address: 8698 Roseland Avenue RR#1 Moorpark, CA 93021
ZIP

3 Name and title of person to whom correspondence should be addressed: John Chris Nickel
Telephone 805-529-2470

4 Address where accounting records are maintained: 8698 Roseland Avenue RR#1 Moorpark, CA 93021

5 Service Area: (Refer to district reports if applicable.) El Rio/Oxnard

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

Name: Robert Eranio

Address: 2188 Johnson Drive Ventura, CA 93004 Telephone 805-650-8331

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) Rio Plaza Water Company, Inc.
Organized under laws of (state) California

Principal Officers:

(Name) John Chris Nickel (Title) President

(Name) John Chris Nickel (Title) President

(Name) Gary G. Pace (Title) Secretary/Treasurer

(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:

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2003

NAME OF UTILITY Rio Plaza Water Company, Inc.

PHONE 805-529-2470

PERSON RESPONSIBLE FOR THIS REPORT Frank Brommenschenkel

(Prepared from Information in the 2002 Annual Report)

	1/1/2002	12/31/2002	Average
BALANCE SHEET DATA			
1 Intangible Plant			-
2 Land and Land Rights	499	499	499
3 Depreciable Plant	373,021	400,741	386,881
4 Gross Plant in Service	373,520	401,240	387,380
5 Less: Accumulated Depreciation	162,636	195,952	179,294
6 Net Water Plant in Service	210,884	205,288	208,086
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies	1,990	1,990	1,990
10 Less: Advances for Construction	()	()	()
11 Less: Contribution in Aid of Construction	65,814	50,083	57,949
12 Less: Accumulated Deferred Income and Investment Tax Cre	()	()	()
13 Net Plant Investment	147,060	157,195	152,127
CAPITALIZATION			
14 Common Stock	14,000	14,000	14,000
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	975	975	975
17 Retained Earnings			
18 Common Stock and Equity (Lines 14 through 17)	14,975	14,975	14,975
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable	10,668	10,668	10,668
22 Total Capitalization (Lines 18 through 21)	25,643	25,643	25,643

(Revised 10/97)

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2003

NAME OF UTILITY Rio Plaza Water Company, In PHONE 805-529-2470

	Annual Amount
INCOME STATEMENT	
23 Unmetered Water Revenue (SDWBA Surcharge)	\$ 37,866
24 Fire Protection Revenue (Investment Income)	\$ -
25 Irrigation Revenue	
26 Metered Water Revenue	\$ 187,523
27 Total Operating Revenue	\$ 225,389
28 <u>Operating Expenses</u>	\$ 151,632
29 Depreciation Expense (Composite Rate 2.6%)	\$ 17,558
30 Amortization and Property Losses	\$ 24,150
31 Property Taxes	\$ 1,004
32 Taxes Other Than Income Taxes	\$ 7,111
33 Total Operating Revenue Deduction Before Taxes	\$ 201,455
34 California Corp. Franchise Tax	\$ 846
35 Federal Corporate Income Tax	\$ -
36 Total Operating Revenue Deduction After Taxes	\$ 23,088
37 Net Operating Income (Loss) - California Water Operations	\$ 23,088
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	
39 Income Available for Fixed Charges	
40 Interest Expense	\$ 14,861
41 Net Income (Loss) Before Dividends	\$ 8,226
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	
OTHER DATA	
44 Refunds of Advances for Construction	
45 Total Payroll Charged to Operating Expenses	
46 Purchased Water	
47 Power	\$ 16,366

<u>Active Service Connections</u>	(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		520	520	520
49 Flat Rate Service Connections				
50 Total Active Service Connections		520	520	520

**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: MERRILL LYNCH, WORKING CAPITAL MANAGEMENT ACCOUNT _____
Address: 400 Esplanade Drive, Oxnard CA 93030 _____
Phone Number: 805-983-6053 _____
Date Hired: February 4, 1994 _____

2. Former Fiscal Agent:

Name: Bank of a-levy (Merged with 1st Interstate) _____
Address: Oxnard, CA 93030 _____
Phone Number: _____
Date Hired: 1980 _____

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

\$37,866.00

4. Summary of the trust bank account activities showing:

Balance at beginning of year	<u>\$20,793.46</u>
Deposits during the year	<u>\$ 37,995.03</u>
Withdrawals made for loan payments	<u>\$ 36,488.38</u>
Other withdrawals from this account	<u>\$ 300.00</u>
Balance at end of year	<u>\$ 22,000.11</u>

5. Account information:

Bank Name: MERRILL LYNCH, WORKING CAPITAL MANAGEMENT ACCOUNT _____
Account Number: 228-07587 _____
Date Opened: February 4, 1994 _____

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	Moved to the Accounts below Per Herb Chow 6/12/03					
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	\$ 284,498				\$ 284,498	
13	333	Services and meter installations	\$ 75,400				\$ 75,400	
14	334	Meters						
15	335	Hydrants	\$ 4,800				\$ 4,800	
16	339	Other equipment						
17	340	Office furniture and equipment						
18	341	Transportation equipment						
19		Total depreciable plant	\$ 364,698	\$ -	\$ -	\$ -	\$ 364,698	
20		Total water plant in service	\$ 364,698	\$ -	\$ -	\$ -	\$ 364,698	

**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	\$ 765,938	\$ 738,218
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		\$ 765,938	\$ 738,218
7	106	Accumulated depreciation of water plant	6	\$ 191,435	\$ 180,118
8	114	Water plant acquisition adjustments			
9		Total amortization and adjustments			
10		Net utility plant		\$ 574,503	\$ 558,100
11		INVESTMENTS			
12	121	Non-utility property and other assets	5		
13	122	Accumulated depreciation of non-utility property	6	\$ (214,397)	\$ (190,367)
14		Net non-utility property			
15	123	Investments in associated companies			
16	124	Other investments			
17		Total investments		\$ (214,397)	\$ (190,367)
18		CURRENT AND ACCRUED ASSETS			
19	131	Cash		\$ 4,193	\$ 1,812
20	132	Special accounts		\$ 15,669	\$ 20,793
21	141	Accounts receivable - customers		\$ 26,348	\$ 24,347
22	142	Receivables from associated companies/customers			
23	143	Accumulated provision for uncollectible accounts			
24	151	Materials and supplies		\$ 1,990	\$ 1,990
25	174	Other current assets	7	\$ 49,696	\$ 48,895
26		Total current and accrued assets		\$ 97,896	\$ 97,837
27	180	Deferred charges			
28		Total assets and deferred charges		\$ 458,001	\$ 465,570
				\$ -	

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	14,000	14,000
3	204	Preferred stock	9		
4	211	Other paid-in capital	9	8,502	975
5	215	Retained earnings	10	168,162	159,936
6		Total corporate capital and retained earnings		190,665	174,911
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	150,301	174,331
13	225	Advances from associated companies	12		
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		28,261	34,929
16	232	Short term notes payable		21,296	10,668
17	233	Customer deposits		6,040	5,745
18	235	Payables to associated companies	12	11,354	13,178
19	236	Accrued taxes			
20	237	Accrued interest			
21	241	Other current liabilities	13		
22		Total current and accrued liabilities		66,952	64,520
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	65,814	65,814
32	272	Accumulated amortization of contributions		15,731	14,006
33		Net contributions in aid of construction		50,084	51,808
34		Total liabilities and other credits		458,001	465,570

**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	\$373,020	\$ 35,686	\$ 7,965		400,741
2	103	Water plant held for future use					
3	104	Water plant purchased or sold					
4	105	Construction work in progress - water plant			xxxxxxxxxxxx		
5	114	Water plant acquisition adjustments			xxxxxxxxxxxx		
6		Total utility plant	\$373,020	\$ 35,686	\$ 7,965		\$400,741

* 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					
3	303	Land	499				499
4		Total non-depreciable plant	499				499
5		DEPRECIABLE PLANT					
6	304	Structures	8,976				8,976
7	307	Wells	19,001	-			19,001
8	317	Other water source plant					
9	311	Pumping equipment	61,006	35,686	7,965		88,727
10	320	Water treatment plant	16,235				16,235
11	330	Reservoirs, tanks and sandpipes	17,654				17,654
12	331	Water mains	71,867				71,867
13	333	Services and meter installations	37,668				37,668
14	334	Meters	35,807	-			35,807
15	335	Hydrants	2,408				2,408
16	339	Other equipment	56,718	-			56,718
17	340	Office furniture and equipment	6,727				6,727
18	341	Transportation equipment	38,952	-			38,952
19		Total depreciabel plant	373,020	35,686	7,965		400,741
20		Total water plant in service	373,519				401,240

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

Plant additions were approved by Resolution W-4441, pumping replacements

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	N/A			
2				
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	178,394	190,367	
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	17,558	24,150	
4	(b) Charged to Account No 272			
5	(c) Charged to clearing accounts		(120)	
6	(d) Salvage recovered			
7	(e) All other credits (Footnote 2)			
8	Total Credits			
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	195,952	214,397	
		410,350		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE 2.62%			
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	[]		
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	3,514	231			3,745
2	307	Wells	19,001	-			19,001
3	317	Other water source plant		-			
4	311	Pumping equipment	48,268	1,598		7,965	41,902
5	320	Water treatment plant	14,601	425			15,027
6	330	Reservoirs, tanks and sandpipes	4,012	462			4,474
7	331	Water mains	25,236	1,883			27,119
8	333	Services and meter installations	30,272	208			30,480
9	334	Meters	12,281	802			13,083
10	335	Hydrants	2,408	-			2,408
11	339	Other equipment	9,964	3,759			13,724
12	340	Office furniture and equipment	821	176			998
13	341	Transportation equipment	9,738	9,738			19,476
14		Total	180,118	19,282			191,435

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

Line No.	Item (a)	Amount (b)
1		
2		
3		
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	1955	280	50	280	280	0	0
2								
3								
4								
5								
6							Total	

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK Name (a)	Number of Shares (b)	PREFERRED STOCK Name (c)	Number of Shares (d)
1	Lee Linden	28		
2	JC Nickel Trust	252		
3				
4				
5				
6				
7	Total number of shares	280	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	From John Cris Nickel, 1998	\$ 975.12
2	2003 Customer Deposits adjustments	\$ 7,527.12
3		
4	Total	\$ 8,502.24

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

Line No	Item (a)	Amount (b)
1	Balance beginning of year	159,936
2	CREDITS	
3	Net income	8,226
4	Prior period adjustments	
5	Other credits (detail)	
6	Total credits	8,226
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	bits	
15	Balance end of year	168,162

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	
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

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	N/A				
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					
2	N/A				
3					
4	Totals				

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

Line No.	Description (a)	Balance End of Year (b)
1		
2		
3		
4		
5	als	

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

Line No.	(a)	(b)	Amount (c)
	N/A		
1	Balance beginning of year	XXXXXXXXXXXXXXXXXX	
2	Additions during year	XXXXXXXXXXXXXXXXXX	
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXXXXXX	
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	

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	N/A			
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	\$ 51,807	\$ 51,807			
2	Add: Credits to account during year	\$ -				
3	Contributions received during year	\$ -				
4	Other credits*	\$ -				
5	Total credits	\$ -				
6	Deduct: Debits to Account during year	\$ -				
7	Depreciation charges for year	\$ (1,724)	\$ (1,724)			
8	Nondepreciable donated property retired	\$ -				
9	Other debits*	\$ -				
10	Total debits	\$ -				
11	Balance end of year	\$ 50,083	\$ 50,083.47			

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

*Adjustment from prior year to the depreciation rate of 2.62%

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	\$ 172,617.68	\$ 174,336.40	\$ (1,718.72)
16		470.2 Commercial and multi-residential	\$ 4,608.36	\$ 3,858.57	\$ 749.79
17		470.3 Large water users	\$ 10,296.85	\$ 10,571.35	\$ (274.50)
18		470.5 Safe Drinking Water Bond Surcharge	\$ 37,866.00	\$ 37,785.00	\$ 81.00
19		470.9 Other metered revenue			\$ -
20		Sub-total	\$ 225,388.89	\$ 226,551.32	\$ (1,162.43)
21		Total water service revenues	\$ 225,388.89	\$ 226,551.32	\$ (1,162.43)
					\$ -
22	480	Other water revenue			\$ -
23		Total operating revenues	\$ 225,388.89	\$ 226,551.32	\$ (1,162.43)

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			
4	615	Power	\$ 16,366.12	\$ 20,119.62	\$ (3,753.50)
5	616	Other volume related expenses	\$ 22,866.05	\$ 22,031.88	\$ 834.17
6		Total volume related expenses	\$ 39,232.17	\$ 42,151.50	\$ (2,919.33)
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee labor	\$ 13,599.49	\$ 21,101.87	\$ (7,502.38)
9	640	Materials	\$ 4,947.60	\$ 2,972.61	\$ 1,974.99
10	650	Contract work	\$ 4,611.27	\$ 14,301.21	\$ (9,689.94)
11	660	Transportation expenses	\$ 7,393.10	\$ 5,151.36	\$ 2,241.74
12	664	Other plant maintenance expenses			\$ -
13		Total non-volume related expenses	\$ 30,551.46	\$ 43,527.05	\$ (12,975.59)
14		Total plant operation and maintenance exp.	\$ 69,783.63	\$ 85,678.55	\$ (15,894.92)
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries			
17	671	Management salaries	\$ 21,637.90	\$ 19,087.94	\$ 2,549.96
18	674	Employee pensions and benefits	\$ 5,074.35	\$ 3,197.07	\$ 1,877.28
19	676	Uncollectible accounts expense			\$ -
20	678	Office services and rentals	\$ 4,144.72	\$ 3,287.77	\$ 856.95
21	681	Office supplies and expenses	\$ 2,498.68	\$ 2,389.04	\$ 109.64
22	682	Professional services	\$ 34,855.44	\$ 30,852.39	\$ 4,003.05
23	684	Insurance	\$ 5,635.46	\$ 4,445.89	\$ 1,189.57
24	688	Regulatory commission expense	\$ 1,673.75	\$ 730.25	\$ 943.50
25	689	General expenses	\$ 6,327.64	\$ 5,611.09	\$ 716.55
26		Total administrative and general expenses	\$ 81,847.94	\$ 69,601.44	\$ 12,246.50
27	800	Expenses capitalized			
28		Net administrative and general expense	\$ 81,847.94	\$ 69,601.44	\$ 12,246.50
29		Total operating expenses	\$ 151,631.57	\$ 155,279.99	\$ (3,648.42)

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	\$ 1,003.54	\$ 1,003.54	
2	State corporate franchise tax	\$ 846.00	\$ 846.00	
3	State unemployment insurance tax		\$ -	
4	Other state and local taxes	\$ 3,775.32	\$ 3,775.32	
5	Federal unemployment insurance tax	\$ 3,336.08	\$ 3,336.08	
6	Federal insurance contributions act		\$ -	
7	Other federal taxes		\$ -	
8	Federal income taxes		\$ -	
9			\$ -	
10				
11	Totals	\$ 8,960.94	\$ 8,960.94	

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	
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5		
6		
7		
8		
9		
10	Federal tax net income	
11	Computation of tax:	
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			
2			
3			
4			
5	Total		

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	DWR - SDWBA Loan	\$ 12,458.55
2	Santa Barbara Bank and Trust	\$ 2,347.25
3	Interest on Customer Deposits	\$ 55.63
4		
5		
6		
7		
8		
9		
10	Total	\$ 14,861.43

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	1	\$ 13,599.49		\$ 13,599.49
2	670	Office salaries	Contracted			\$ -
3	671	Management salaries	1	\$ 21,637.90		\$ 21,637.90
4						\$ -
5						
6		Total	2	\$ 35,237.39	\$ -	\$ 35,237.39

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			N/A					
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.	
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 \$	\$ 22,267.90
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:	
16	(a) Charged to operating expenses	\$ 21,637.90
17	(b) Charged to capital amounts	\$ 630.00
18	(c) Charged to other account	\$
19	Total	\$
20	11. Distribution of charges to operating expenses by primary accounts	\$ 22,267.90
21	Number and Title of Account	Amount
22		\$
23	671 Management Salaries	\$ 22,267.90
24		\$
25	Total	\$ 22,267.90
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		N/A						
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	#2	Reservoir		16"	64.2'		1,150	
7	#3	End of Cortez		14"	60.4'		608	
8								
9								
10								
TUNNELS AND SPRINGS				FLOW IN (Unit) 2		Annual Quantities Pumped (Unit) 2	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum			
11								
12		N/A						
13								
14								
15								
Purchased Water for Resale								
16	Purchased from							
17	Annual Quantities purchased (Unit chosen) 1							
18								
19	N/A							
<p>* 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.</p>								

**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	4	60,000 Gallons	2ea 20,000 & 2 ea 10,000
12	Concrete			
13	Totals	4	60,000 Gallons	

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						11,650		4,100	3,950
19	Welded steel									
20	Wood									
21	Other (specify)									
22	Totals						11,650	-	4,100	3,950

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								
24	Cast iron (cement lined)								
25	Concrete								
26	Copper								
27	Riveted steel								
28	Standard screw								
29	Screw or welded casing								
30	Cement - asbestos	650							20,350
31	Welded steel	375							375
32	Wood								
33	Other (specify)								
34	Totals	1,025	-	-	-	-	-	-	20,725

**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	513	513		
Commercial and Multi-resi	5	5		
Large water users	2	2		
Public authorities				
Irrigation				
Other (specify)				
Subtotal	520	520		
Private fire connections	2	2		
Public fire hydrants			32	32
Total	522	522	32	32

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

Size	Meters	Services
3/8 x 3/4 - in		xxxxxxxxxxxx
3/4 - in	516	516
1 - in	1	1
1.5 - in	1	1
2 - in	1	1
3 - in	1	1
- in		
- in		
Other		
Total	520	520

**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 _____ (Unit Chosen):**

Classification of Service	During Current Year							Subtotal
	January	February	March	April	May	June	July	
Single-family residential	7,555	6,386	6,422	8,752	8,424	8,762	12,055	58,356
Commercial and Multi-residential	125	84	84	135	132	129	142	831
Large water users	484	350	274	464	807	809	857	4,045
Public authorities								-
Irrigation								-
Other (specify)								-
Total	8,164	6,820	6,780	9,351	9,363	9,700	13,054	63,232

Classification of Service	During Current Year						Subtotal	Total	Prior Year
	August	September	October	November	December				
Single-family residential	10,445	9,583	9,258	5,433	7,320	42,039	100,395	104,960	
Commercial and Multi-residential	218	208	194	118	186	924	1,755	1,730	
Large water users	1,076	1,128	1,048	899	671	4,822	8,867	9,454	
Public authorities						-			
Irrigation						-			
Other (specify)						-			
Total	11,739	10,919	10,500	6,450	8,177	47,785	111,017	116,144	

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

Total acres irrigated None

Total population served 2,200

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FRANK B & ASSOCIATES

WATER MANAGEMENT CONSULTING

February 20, 2004

California Public Utilities Commission
505 Van Ness Avenue, Room 3105
San Francisco, CA 94102-3298

Subject: Annual Report, Rio Plaza Water Company, Inc.

Attached are the copies requested of the Annual Report for the Rio Plaza Water Company, Inc.

Should you have any question please call me at 805-525-4200

Sincerely,



Frank Brommenschenkel
Consultant