

**SIERRA CITY WATER WORKS INC.**

C.K. SMITH  
732 Butler Rd.  
Grass Valley, CA 95945

437

Received \_\_\_\_\_  
Examined \_\_\_\_\_

CLASS D  
WATER UTILITIES

U# 405-WTD

2001  
ANNUAL REPORT  
OF

SIERRA CITY WATER WORKS, INC.

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

732 BUTLER ROAD, GRASS VALLEY, CALIFORNIA 95945

(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)

**CLASS D WATER UTILITIES**  
(HAVING LESS THAN 500 SERVICE CONNECTIONS)

SIERRA CITY WATER WORKS, INC.

(Name under which corporation, partnership or individual is doing business)

732 BUTLER ROAD GRASS VALLEY CALIFORNIA

(Official mailing address)

SIERRA CITY, SIERRA COUNTY

(Service area-town and county)

**GENERAL INFORMATION**

RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES

- 1 If a corporation show:  
 (A) Date of organization 1/6/88 incorporated in the State of CALIFORNIA  
 (B) Names, titles and addresses of principal officers:
- 2 If unincorporated give the name and address of owner or of each partner:
- 3 Name and telephone number of:  
 (A) One person listed above to receive correspondence:  
 (B) Person responsible for operations and services:
- 4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No)  
 If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?
- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent: N/A

**PUBLIC HEALTH STATUS**

- 6 Has state or local health department inspection been made during the year?
- 7 Are routine laboratory tests of water being made?
- 8 Has state health department water supply permit been obtained? (Indicate date) 4600056
- 9 If no permit has been obtained, state whether application has been made and when.
- 10 Show expiration date if state permit is temporary.

Yes	No	Latest Date
	X	1999
X		12/2001
		4/25/96

**SPECIAL INSTRUCTIONS (over)**

**Summary of Earnings  
Test Year 2001**

Account Number	Operating Revenue	
470	Metered	14 929
460	Unmetered	10 240
465	Irrigation	0
462-480	Private Fire Protection	188.5
	<b>Total Revenue</b>	<b>27054</b>
	<b>Operating Expenses</b>	
610	Purchased Water	-
615	Purchased Power	-
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	
640	Materials	1301
650	Contract Work	1180
	Water Testing	351
660	Transportation Expense	3890
664	Other Plant Maintenance	1356
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	
681	Office Supplies and Expense	411.3
682	Professional Services	945
684	Insurance	
688	Regulatory Expense	776
689	General Expense	118
	<b>Subtotal</b>	<b>14,029</b>
403	Depreciation Expense	5462
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	2057
409	State Income Tax	800
410	Federal Income Tax	
	<b>Total Deductions</b>	<b>22,349</b>
	<b>Net Revenue</b>	<b>4,705</b>
	<b>Rate Base</b>	
	Average Plant	
	Average Depreciation Reserve	
	Net Plant	
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	<b>Rate Base</b>	
	<b>ROR=Net Rev/Rate Base</b>	

### SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	NONE
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	

### SCHEDULE K - TOTAL METERS AND SERVICES (active and inactive)

Size	Meters	Services
5/8 x 3/4-in	47	
3/4-in	0	
1-in	1	
2-in	1	
-in		
<b>Total</b>	<b>49</b>	

### SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1	Used, before repair...
2	Used, after repair .....
3	Fast, requiring refund ..
Numbers of meters in service requiring test per General Order No. 103 .....	

### SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	41	28	69					
Industrial								
Other (specify) <i>COMMERCIAL</i>	9	5	14					
Subtotal								
Fire protection (Hydrants)		1	1					
<b>Total</b>	<b>50</b>	<b>34</b>	<b>84</b>					

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

### SCHEDULE N - STORAGE FACILITIES

Description	No.	Combined capacity in gallons
Concrete		
Earth		
Wood	1	5000
Steel	4	43,500
Other		
<b>Total</b>	<b>5</b>	<b>48,500</b>

### SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	2" and under	2 1/4 to 3 1/4	4"	6" 1" 1/2"			Total
				Other sizes (specify)			
Cast Iron							
Welded steel				300			300
Standard screw	4800	1300					6100
Cement-asbestos							
Plastic		700	400	5460	250	330	7110
Other (specify)							
<b>Total</b>	<b>4800</b>	<b>2000</b>	<b>400</b>	<b>5760</b>	<b>250</b>	<b>300</b>	<b>13,510</b>

### DECLARATION

(BEFORE SIGNING PLEASE CHECK TO SEE THAT ALL SCHEDULES HAVE BEEN COMPLETED)

I, the undersigned (officer, partner or owner) of SIERRA CITY WATER WORKS, INC. (Name of utility), under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period

From and including JANUARY 1, 2001, to and including DECEMBER 31, 2001

Charles K Smith  
Signed  
CHARLES K SMITH, PRESIDENT  
Title

Date

Line

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2001)**

1	Common - (Shares	, \$ / par)	1000	List persons owning more than 5% of outstanding stock
2	Preferred - (Shares	, \$ par)		and number of shares owned by each:
3	Dividends - Common	Rate - \$		CHARLES K SMITH 50%
4	- Preferred	Rate - \$		LONBETH SMITH 50%

**SCHEDULE E - LONG TERM DEBT**

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5	CHARLES K SMITH				174,716	8%	0	0
6								
7								
8	Totals							

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	xxxxxxxxxxx
10	460 Unmetered water revenue	10,240
11	462 Fire protection revenue	1,885
12	465 Irrigation revenue	
13	470 Metered water revenue	14,929
14	480 Other water revenue	
15	Total Operating Revenue	27,054
16	Operating revenue deductions	xxxxxxxxxxx
17	Operating expenses	xxxxxxxxxxx
18	610 Purchased water	
19	615 Power	
20	618 Other volume related expenses	351
21	630 Employee labor	
22	640 Materials	1,301
23	650 Contract work	11,800
24	660 Transportation expenses	3,890
25	664 Other plant maintenance expense	1,356
26	670 Office salaries	
27	671 Management salaries	
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	
31	681 Office supplies and expense	4,113
32	682 Professional services	945
33	684 Insurance	
34	688 Regulatory commission expense	776
35	689 General expenses	118
36	Total Operating Expenses	14,030
37	403 Depreciation expense	5,462
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	2,057
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	22,349
43	Utility Operating Income	4,705
44	421 Non-utility income	7
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	4,712

**SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS**

Location	No.	Diam. Inch	Depth to water feet	Pumping capacity (g.p.m.)	Annual quantities pumped
NONE					

**OTHER**

Streams or springs location of diversion point	Flow in		(Unit) Diversions		Annual quantities diverted (Unit)	
	Priority right	Claim	Capacity	Max		Min
SHORT WATER RIGHTS				170	5	136
Purchased water (unit) Supplier:					Annual quantity	

**SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS (If figures are available) (specify unit)**

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business			
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			

**SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION**

Line	Acct	Account	Number at end of year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
48	630	Employee Labor				
49	670	Office salaries				
50	671	Management salaries				
51		Total	NONE			

**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2001)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	239,033	201	Common Stock (Corporations only)	1,000
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	(34,172)
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(105,214)	224	Long term debt	174,416
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments	810	252	Advances for construction	
8	131	Cash	1,615	253	Other deferred credits	
9	141	Accounts receivable - customers		255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	5,500		depreciation	
12	174	Other current assets		283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		<b>Total Assets</b>	<b>141,244</b>		<b>Total Equity and Liabilities</b>	<b>141,244</b>

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					
17	303	Land	53,403		15,863		37,540
18	304	Structures					
19	307	Wells					
20	317	Other water source plant	33,512				33,512
21	311	Pumping equipment					
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes	53,805				53,805
24	331	Water mains	38,212				38,212
25	333	Services and meter installations					
26	334	Meters	7,489				7,489
27	335	Hydrants	18,100				18,100
28	339	Other equipment	7,781	155			7,936
29	340	Office furniture and equipment	2,478	1,846			4,324
30	341	Transportation equipment	3,815				3,815
31		<b>Total water plant in service</b>	<b>252,895</b>	<b>2,001</b>	<b>15,863</b>		<b>239,033</b>

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

**SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT**

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year	100,252		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	5,462		
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	5,462		covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits			
45	Balance in reserve at end of year	105,714		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

**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: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

2. Former Fiscal Agent:

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: \_\_\_\_\_

N/A

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

20 01  
(continued)

NAME OF UTILITY Piedmont City Water Works Inc PHONE 530-272-6447

**INCOME STATEMENT**

	Annual Amount
23 Unmetered Water Revenue	<u>10,240</u>
24 Fire Protection Revenue	<u>1,885</u>
25 Irrigation Revenue	
26 Metered Water Revenue	<u>14,929</u>
27 Total Operating Revenue	<u>27,054</u>
28 <u>Operating Expenses</u>	<u>14,030</u>
29 Depreciation Expense (Composite Rate _____)	<u>5,162</u>
30 Amortization and Property Losses	
31 Property Taxes	<u>2,057</u>
32 Taxes Other Than Income Taxes	
33 Total Operating Revenue Deduction Before Taxes	<u>21,549</u>
34 California Corp. Franchise Tax	<u>800</u>
35 Federal Corporate Income Tax	
36 Total Operating Revenue Deduction After Taxes	<u>22,349</u>
37 Net Operating Income (Loss) - California Water Operations	<u>4,705</u>
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	
39 Income Available for Fixed Charges	<u>4,705</u>
40 Interest Expense	
41 Net Income (Loss) Before Dividends	<u>4,705</u>
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	<u>4,705</u>

**OTHER DATA**

44 Refunds of Advances for Construction	_____
45 Total Payroll Charged to Operating Expenses	_____
46 Purchased Water	_____
47 Power	_____

<u>Active Service Connections</u>	(Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		<u>38</u>	<u>49</u>	<u>44</u>
49 Flat Rate Service Connections		<u>47</u>	<u>35</u>	<u>41</u>
50 Total Active Service Connections		<u>85</u>	<u>84</u>	<u>85</u>



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

2001

NAME OF UTILITY SIERRA CITY WATER WORKS, INC PHONE 530-273-6447

PERSON RESPONSIBLE FOR THIS REPORT CONNIE STONE  
(Prepared from Information in the 2001 Annual Report)

	1/1/2001	12/31/2001	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant			
2 Land and Land Rights	<u>53403</u>	<u>37541</u>	<u>45472</u>
3 Depreciable Plant	<u>219491</u>	<u>201492</u>	<u>210492</u>
4 Gross Plant in Service	<u>272894</u>	<u>229033</u>	<u>255964</u>
5 Less: Accumulated Depreciation	<u>100252</u>	<u>105714</u>	<u>102983</u>
6 Net Water Plant in Service	<u>172642</u>	<u>133319</u>	<u>152981</u>
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies	<u>5500</u>	<u>5500</u>	<u>5500</u>
10 Less: Advances for Construction	( )	( )	( )
11 Less: Contribution in Aid of Construction	( )	( )	( )
12 Less: Accumulated Deferred Income and Investment Tax Credits	( )	( )	( )
13 Net Plant Investment	<u>178142</u>	<u>138819</u>	<u>158481</u>
<b>CAPITALIZATION</b>			
14 Common Stock	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings	<u>(38803)</u>	<u>(34172)</u>	<u>(36488)</u>
18 Common Stock and Equity (Lines 14 through 17)			
19 Preferred Stock			
20 Long-Term Debt	<u>196857</u>	<u>174416</u>	<u>185637</u>
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	<u>159054</u>	<u>141244</u>	<u>150149</u>

(Revised 2/01)