

4

Received _____

Examined _____

CLASS D
WATER UTILITIES

U# _____

2001
ANNUAL REPORT
OF

Sonoma Springs Water Company LLC

P.O. Box 1175

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

Kenwood, Calif. 95452

(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)

Sonoma Springs Water Company, LLC

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

P.O. Box 1175, Kenwood, Calif. 95452

(Official mailing address)

Sonoma Springs Resort & vicinity, Sonoma County

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

1 If a corporation show:

(A) Date of organization 12/00 incorporated in the State of California

(B) Names, titles and addresses of principal officers: Vanya Rohner, P.O. Box 1174, Kenwood, Ca. 95452

2 If unincorporated give the name and address of owner or of each partner:

3 Name and telephone number of:

Kathy Ruove

(A) One person listed above to receive correspondence: (707) 933-5511

(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? See note # 2, Acct #650

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)

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		4/01
X		12/01
X		8/01
N/A		
N/A		

SPECIAL INSTRUCTIONS (over)

**Summary of Earnings
Test Year 2001**

Account Number	Operating Revenue	
470	Metered	5721
460	Unmetered	5474
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	11,195
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	1504
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	
640	Materials	780
650	Contract Work	11,364
	Water Testing	258
660	Transportation Expense	
664	Other Plant Maintenance	
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	92
678	Office Service and Rentals	
681	Office Supplies and Expense	219
682	Professional Services	3925
684	Insurance	1250
688	Regulatory Expense	
689	General Expense	828
	Subtotal	10,212
403	Depreciation Expense	1105
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	1191
409	State Income Tax	800
410	Federal Income Tax	
	Total Deductions	23,318
	Net Revenue	<12,123>
	Rate Base	
	Average Plant	44,765
	Average Depreciation Reserve	<24,315>
	Net Plant	20,450
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	1685
	Plus: Material & Supplies	54
	Rate Base	22,189
	ROR=Net Rev/Rate Base	<54.9%>

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

NAME OF UTILITY Sonoma Springs Water Co PHONE (707) 833-5511

PERSON RESPONSIBLE FOR THIS REPORT Kathy Rueve or Karen Ball
(Prepared from Information in the 2001 Annual Report)

	1/1/___	12/31/01	Average
BALANCE SHEET DATA			
1 Intangible Plant	_____	_____	_____
2 Land and Land Rights	_____	_____	_____
3 Depreciable Plant	_____	_____	_____
4 Gross Plant in Service	<u>43,890</u>	<u>45,640</u>	<u>44,765</u>
5 Less: Accumulated Depreciation	<u>23,766</u>	<u>24,971</u>	<u>24,318</u>
6 Net Water Plant in Service	_____	_____	_____
7 Water Plant Held for Future Use	_____	_____	_____
8 Construction Work in Progress	_____	_____	_____
9 Materials and Supplies	_____	_____	_____
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>20,124</u>	<u>20,769</u>	<u>20,450</u>
CAPITALIZATION			
14 Common Stock	_____	_____	_____
15 Proprietary Capital (Individual or Partnership)	<u>21,823</u>	<u>21,823</u>	<u>21,823</u>
16 Paid-in Capital	_____	_____	_____
17 Retained Earnings	_____	_____	_____
18 Common Stock and Equity (Lines 14 through 17)	_____	_____	_____
19 Preferred Stock	_____	_____	_____
20 Long-Term Debt	_____	_____	_____
21 Notes Payable	_____	_____	_____
22 Total Capitalization (Lines 18 through 21)	<u>21,823</u>	<u>21,823</u>	<u>21,823</u>

(Revised 2/01)

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

2001
(continued)

NAME OF UTILITY Sonoma Springs W.C. PHONE (707) 833-5511

INCOME STATEMENT

Annual
Amount

23	Unmetered Water Revenue	<u>5474</u>
24	Fire Protection Revenue	_____
25	Irrigation Revenue	_____
26	Metered Water Revenue	<u>5721</u>
27	Total Operating Revenue	<u>11,195</u>
28	<u>Operating Expenses</u>	<u>20,122</u>
29	Depreciation Expense (Composite Rate <u>2.42%</u>)	<u>1105</u>
30	Amortization and Property Losses	_____
31	Property Taxes	<u>1191</u>
32	Taxes Other Than Income Taxes	_____
33	Total Operating Revenue Deduction Before Taxes	<u>22518</u>
34	California Corp. Franchise Tax	<u>806</u>
35	Federal Corporate Income Tax	_____
36	Total Operating Revenue Deduction After Taxes	<u>23,318</u>
37	Net Operating Income (Loss) - California Water Operations	<u><12,123></u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	_____
39	Income Available for Fixed Charges	_____
40	Interest Expense	_____
41	Net Income (Loss) Before Dividends	_____
42	Preferred Stock Dividends	_____
43	Net Income (Loss) Available for Common Stock	<u><12,123></u>

OTHER DATA

44	Refunds of Advances for Construction	_____
45	Total Payroll Charged to Operating Expenses	_____
46	Purchased Water	_____
47	Power	<u>1504</u>

Active Service Connections (Exc. Fire Protect.) _____

	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections	<u>21</u>	<u>21</u>	<u>21</u>
49 Flat Rate Service Connections	<u>2</u>	<u>2</u>	<u>2</u>
50 Total Active Service Connections	<u>23</u>	<u>23</u>	<u>23</u>

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

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

\$ _____

4. Summary of the trust bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

5. Account information:

Bank Name: _____
Account Number: _____
Date Opened: _____

6. Plant amounts included in Schedule A, 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					
7	307	Wells					
8	317	Other water source plant		N/A			
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2001)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	45,640	201	Common Stock (Corporations only)	
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	
4	105	Water plant construction work in progress		218	Proprietary capital	21,823
5	108	Accumulated depreciation of water plant	(24,871)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash	216	253	Other deferred credits	
9	141	Accounts receivable - customers	784	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	54		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		Total Assets	21,823		Total Equity and Liabilities	21,823

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					
18	304	Structures					
19	307	Wells	5500				5500
20	317	Other water source plant					
21	311	Pumping equipment	4000	666 (4)			4666
22	320	Water treatment plant		878			878
23	330	Reservoirs tanks and sandpipes	7500				7500
24	331	Water mains	11,000				11,000
25	333	Services and meter installations	10,340				10,340
26	334	Meters	1050	206 (3)			1256
27	335	Hydrants	4500				4500
28	339	Other equipment					
29	340	Office furniture and equipment					
30	341	Transportation equipment					
31		Total water plant in service (1)	43,890	1750			45,640

* 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 (1)	23,766		A. Method used to compute depreciation expense (Acct. 403) and rate.
33	Add: Credits to reserves during year			
34	(a) Charged to Account No. 403	1105		2.42% S.L.
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed or to be claimed on utility property in your federal income tax return for the year covered by this report \$
37	(d) Salvage recovered			
38	(e) All other credits			
39	Total credits	1105		
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 depreciation.
43	(c) All other debits			
44	Total debits			
45	Balance in reserve at end of year			
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits	24871		

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

Line			List persons owning more than 5% of outstanding stock
1	Common - (Shares	, \$ par)	and number of shares owned by each: NIA
2	Preferred - (Shares	, \$ par)	
3	Dividends - Common	Rate - \$	
4	- Preferred	Rate - \$	

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						NIA		
6								
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	XXXXXXXXXX
10	460 Unmetered water revenue	5474
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	5721
14	480 Other water revenue	
15	Total Operating Revenue	11,195
16	Operating revenue deductions	XXXXXXXXXX
17	Operating expenses	XXXXXXXXXX
18	610 Purchased water	
19	615 Power	1504
20	618 Other volume related expenses	
21	630 Employee labor	
22	640 Materials (6)	780
23	650 Contract work (2)	11,624
24	660 Transportation expenses	
25	664 Other plant maintenance expense	
26	670 Office salaries	
27	671 Management salaries	
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	92
30	678 Office services and rentals	
31	681 Office supplies and expense	219
32	682 Professional services (9)	3925
33	684 Insurance	1750
34	688 Regulatory commission expense	
35	689 General expenses (3)	828
36	Total Operating Expenses	20,222
37	403 Depreciation expense	1105
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes (5)	1151
40	409 State corporate income tax expense	900
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	23,318
43	Utility Operating Income	
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	(12,123)

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
Sonoma Springs	1	12	7	180	247 MG (est)
OTHER					
Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted (Unit)
	Priority right		Max	Min	
	Claim	Capacity			
			NIA		
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			2.29 MG
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			2.29 MG

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		NIA		
49	670	Office salaries				
50	671	Management salaries				
51		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	N/A
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	21	23
3/4-in		
1-in		
-in		
-in		
Total	21	23

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1 Used, before repair...	3 replaced
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	21	2	23					
Industrial								
Other (specify)								
Subtotal								
Fire protection (Hydrants)	3		3					
Total	24	2	26					

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

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	2" and under				Other sizes (specify)	Totals
				2 1/4 to 3 1/4	4"				
Concrete	1	16,000	Cast Iron						
Earth			Welded steel						
Wood			Standard screw						
Steel			Cement-asbestos			500		500	
Other			Plastic	200				200	
			Other (specify)						
Total	1	16,000	Total	200		500		700	

DECLARATION

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

I, the undersigned (officer, partner or owner) of Sonoma Springs Water Company (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 Jan. 1, 2001, to and including Dec. 31, 2001

Signed Vanya Bohner
 Title OWNER
 Date 3-28-02

Notes For 2001 Sonoma Springs Water Company Annual Report

1. Balances per Public Utilities Commission Decision 01-05-075
2. Laboratory 258
 - Eric Miller, operations 3250
 - Karen Ball, management consultant 3600
 - Kathy Rueve, accounting 748
 - Lee Kachelmeyer , maintenance 240
 - Steve Chase, maintenance 100
 - Jesus Ruiz, maintenance 41
 - Linda Kane, management trainee 3387
 - 10624**
3. DHS fines
4. 14% of pool pump installation to comply with DHS requirements
5. 14% of inclusive Resort property tax bill; PUC Decision 01-05-075 value divided by assessed value.
6. Tank cleaning 720
7. Three meters and installation
8. All legal