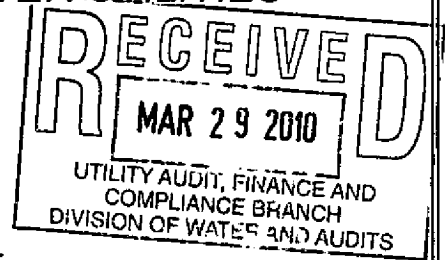


D J J4

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# 436 W



2009
ANNUAL REPORT
OF

THE CASMITE CORPORATION

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

4051 Broad Street, Suite 230, San Luis Obispo, California 93401

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2009

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2010

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION

MATT A. PEASLEY, CPA
CHRISTIAN L. ALDINGER, CPA

2120 MAIN STREET, SUITE 265
HUNTINGTON BEACH, CALIFORNIA 92648

(714) 536-4418
FAX (714) 536-2039

ACCOUNTANT'S COMPILATION REPORT

March 25, 2010

Casmite Corporation
P.O. Box 1069
San Luis Obispo, California 93406

We have compiled the balance sheet of Casmite Corporation as of December 31, 2009, and the related income statement for the year ended December 31, 2009, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information included on page 7 (Schedules B & C), page 8 (Schedules D, E, & F), page 9 (Schedule I), page 10 (Schedule J), page 4 of Excess Capacity, page 11 for Facilities Fee Data, and pages 5 and 6 of Class B, C and D Water Companies – Safe Drinking Water Bond Act Data.

Our compilation was limited to presenting, in the form prescribed by the Public Utilities Commission of the State of California, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) are presented in accordance with the requirements of the Public Utilities Commission of the State of California, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The supplementary information contained on page 3 (General Information) and page 9 (Schedules G & H) and page 10 (Schedules K, L, M, N & O) of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION



Christian L. Aldinger
Certified Public Accountant

TABLE OF CONTENTS

	<u>Page</u>
Instructions	2
General Information	3
Excess Capacity and Non-Tariffed Services	4
Safe Drinking Water Bond Act / State Revolving Fund Data	5-6
Schedule A - Balance Sheet	7
Schedule B - Water Plant In Service	7
Schedule C - Reserve for Depreciation of Utility Plant	7
Schedule D - Capital Stock Outstanding (As of December 31, 2009)	8
Schedule E - Long-Term Debts	8
Schedule F - Income Statement	8
Schedule G - Source of Supply and Water Developed Wells	9
Schedule H - Water Delivered to Metered Customers	9
Schedule I - Employees and Their Compensation	9
Schedule J - Advances for Construction	10
Schedule K - Total Meters and Services (Active and Inactive)	10
Schedule L - Meter Testing Data	10
Schedule M - Service Connections at End of Year	10
Schedule N - Storage Facilities	10
Schedule O - Footages of Pipe (Excluding Service Pipes)	10
Facility Fees Data	11
Declaration	12

INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2010**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov**

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 Page12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
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 flow 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. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2009, through December 31, 2009. Fiscal year reports will not be accepted.

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

THE CASMITE CORPORATION

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

4051 BROAD STREET, SUITE 230, SAN LUIS OBISPO, CALIFORNIA 93401

(Official mailing address)

CASMALIA AND NEARBY AREA, SANTA BARBARA COUNTY

(Service Area - Town and County)

Telephone Number: 805.546.6950

Fax Number: 805.546.6900

Email Address: kaduran@chevron.com

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)
RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:
 (A) Date of organization 10/30/1936 incorporated in the State of Nevada
 (B) Names, titles and addresses of principal officers:
 Steven A. Berg, President, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Brian J. Kelly, Vice President, 145 State College Blvd., 4th Floor, Brea, CA 92821
 Donald Means, Vice President, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Kari H. Endries, Vice President/Secretary, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Jennifer J. Machado, Treasurer, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Kelly Duran, Assistant Secretary, 4051 Broad Street, Suite 230, San Luis Obispo, CA 93401

2. If unincorporated provide the name and address of the owner(s) or the partners:

3. Name, title, and telephone number of:

(A) One person listed above to receive correspondence: Kelly A. Duran, 805-546-6950
 (B) Person responsible for operations and services: Kelly A. Duran, 805-546-6950

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:

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	
X		12/1/2009
X		9/7/2006
		N/A
		N/A

11. List Name, Grade, and License Number of all Licensed Operators:
Fluid Resource Management Inc; Grade: T2; License #27752 Grade: D2; License #31114

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter

Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/ Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/ Services (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/ Services (by Account)	Regulated Asset Account Number

Not Applicable

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Not Applicable

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

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

\$ _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch	_____	_____
1 inch	_____	_____
1 1/2 inch	_____	_____
2 inch	_____	_____
3 inch	_____	_____
4 inch	_____	_____
6 inch	_____	_____
Number of Flat Rate Customers	_____	_____
Total	_____	_____

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF funds:

Not Applicable

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2009)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	763,037	201	Common Stock (Corporations only)	500
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	1,323,814
3	104	Water plant purchased or sold		215	Retained earnings	(1,673,588)
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(191,890)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	928,444
7	124	Other investments	•	252	Advances for construction	
8	131	Cash		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			depreciation	
12	174	Other current assets	8,023	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	579,170		Total Equity and Liabilities	579,170

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
1	301	Intangible plant	26,475			(14,607)	11,868
2	303	Land					-
3	304	Structures					-
4	307	Wells					-
5	317	Other water source plant					-
6	311	Pumping equipment	325,556				325,556
7	320	Water treatment plant					-
8	330	Reservoirs tanks and sandpipes	7,371				7,371
9	331	Water mains	244,650			14,892	259,542
10	333	Services and meter installations	160,149			(1,449)	158,700
11	334	Meters					-
12	335	Hydrants					-
13	339	Other equipment					-
14	340	Office furniture and equipment					-
15	341	Transportation equipment					-
16		Total water plant in service	764,201			(1,164)	763,037

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

→ (CORRECTION OF PRIOR YEAR CLOSING)

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
1	Balance in reserves at beginning of year	176,629		A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate. S/L
3	(a) Charged to Account No. 272			
4	(b) Charged to Account No. 403	15,261		
5	(c) Charged to Account No. 407			B. Amount of depreciation expense claimed
6	(d) Salvage recovered			or to be claimed on utility property in
7	(e) All other credits			your federal income tax return for the year
8	Total credits	15,261		covered by this report \$
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			C. State method used to compute tax
12	(c) All other debits			depreciation.
13	Total debits	-		
14	Balance in reserve at end of year	191,890		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2009)			
Line	1	Common - (Shares 10 , \$ 50 par)	\$500
	2	Preferred - (Shares n/a , \$ par)	
	3	Dividends - Common n/a rate - \$	
	4	- Preferred n/a rate - \$	

SCHEDULE E - LONG-TERM DEBTS								
Line	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
1								
2								
3								
4	Total	n/a						

SCHEDULE F - INCOME STATEMENT			
Line	Acct.	Operating revenues	
1	460	Unmetered water revenue	n/a
2	462	Fire protection revenue	n/a
3	465	Irrigation revenue	n/a
4	470	Metered water revenue	106,576
5	480	Other water revenue	n/a
6		Total Operating Revenue	106,576
7		Operating revenue deductions	
8		Operating expenses	
9	610	Purchased water	n/a
10	615	Purchased power	16,559
11	618	Other volume related expenses	n/a
12	630	Employee labor	n/a
13	640	Materials	n/a
14	650	Contract work	68,832
15	660	Transportation expenses	n/a
16	664	Other plant maintenance expense	120,907
17	670	Office salaries	n/a
18	671	Management salaries	n/a
19	674	Employee pensions and benefits	n/a
20	676	Uncollectible accounts expense	n/a
21	678	Office services and rentals	178
22	681	Office supplies and expense	33
23	682	Professional services	158,046
24	684	Insurance	n/a
25	688	Regulatory commission expense	n/a
26	689	General expenses	303
27		Total Operating Expenses	364,858
28	403	Depreciation expense	15,261
29	407	SDWBA loan amortization expense	n/a
30	408	Taxes other than income taxes	1,951
31	409	State income tax expense	n/a
32	410	Federal income tax expense	(110,797)
33		Total Operating Revenue Deductions	(93,585)
34		Utility Operating Income	
35	421	Non-utility income	n/a
36	426	Miscellaneous non-utility expense	n/a
37	427	Interest expense	n/a
38		Net Income	(164,697)

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
Black Rd., Santa Maria	1	12	160	200	12,459.22
OTHER					
Streams or Springs Location of Diversion Point	Flow in Priority Right		Diversions (Unit)		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
n/a					n/a
Purchased water (unit)	n/a				
Supplier:				Annual Quantity	
				n/a	

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS			
(If figures are available) (specify unit)			
Classification of Service	Month of Year		Annual Total
	Maximum	Minimum	
Residential	May	Feb	3,306 ccf
Commercial	n/a	n/a	n/a
Industrial	n/a	n/a	n/a
Fire Protection	n/a	n/a	n/a
Irrigation	n/a	n/a	n/a
Other (specify)	n/a	n/a	n/a
CSD	May	Dec	8,169 ccf
Water Troughs	Aug	Dec	434 ccf
Total	n/a	n/a	11,909 ccf

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
1	630	Employee Labor	n/a	0	0	0
2	670	Office salaries	n/a	0	0	0
3	671	Management salaries	n/a	0	0	0
4		Total	n/a	0	0	0

SCHEDULE J - ADVANCES FOR CONSTRUCTION	
Balance beginning of year	n/a
Additions during year	n/a
Subtotal - Beginning balance plus additions during year	n/a
Refunds	n/a
Transfers to Acct. 271 - Contributions in Aid of Construction	n/a
Balance end of year	n/a

SCHEDULE K - TOTAL METERS AND SERVICES (Active and Inactive)		
Size	Meters	Services
5/8 x 3/4-in	11	11
3/4-in	0	0
1-in	2	2
1.5-in	1	1
2-in	1	1
Total	15	15

SCHEDULE L - METER-TESTING DATA	
Number of meters tested during year	0
1 Used, before repair	n/a
2 Used, after repair	n/a
3 Fast, requiring refund	n/a
Numbers of meters in service requiring test per General Order No. 103	n/a

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR								
Classification	Active			Inactive			Total Connections*	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	4	n/a	4	1	n/a	1	5	0
Industrial/Commercial	1	n/a	1	0	n/a	n/a	1	0
Irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Fire Protection (public)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Fire Protection (private)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Other (specify) Casmalia CSD	1	n/a	1	0	n/a	n/a	1	0
Water Troughs	5	n/a	5	3	n/a	n/a	8	0
Total	11	n/a	11	4	n/a	n/a	15	0

* 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	n/a	n/a
Earth	n/a	n/a
Wood	n/a	n/a
Steel	1	48,000
Other Black Poly	2	21,000
Total	3	69,000

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)					
Description	2" and under	2 1/4 to 3 1/4	4"	Other Sizes (Specify)	Total
Cast Iron	n/a	7,400	n/a	n/a	7,400
Welded steel	n/a	n/a	n/a	n/a	n/a
Standard screw	n/a	n/a	n/a	n/a	n/a
Cement-asbestos	n/a	n/a	n/a	n/a	n/a
Plastic	n/a	n/a	15,300	n/a	15,300
Other (specify)	n/a	n/a	n/a	n/a	n/a
Total	n/a	7,400	15,300	n/a	22,700

FACILITY FEES DATA

Not Applicable

Please provide the following information relating to Facility Fees collected for the calendar year 2009, pursuant to Resolution No. W-4110.

1. Trust Account Information:

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

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

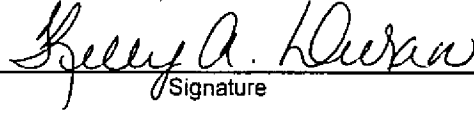
	AMOUNT
Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

DECLARATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned (authorized officer, partner or owner) of The Casmite Corporation, under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, documents, 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 of January 1, 2009 through December 31, 2009.


Signature

Assistant Secretary

Title

March 25, 2010

Date