

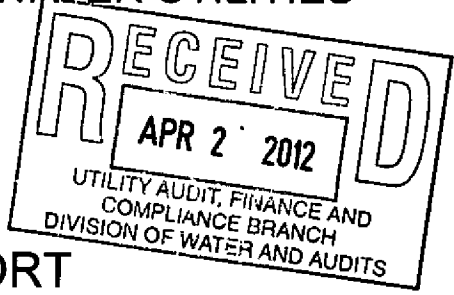
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CLASS D  
WATER UTILITIES

U# 436-W



2011  
ANNUAL REPORT  
OF

**THE CASMITE CORPORATION**

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

**1130 East Clark Avenue, 150-263, Orcutt, CA 93455**

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE YEAR ENDED DECEMBER 31, 2011

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2012

**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 28, 2012

Casmite Corporation  
Orcutt, California 93455

We have compiled the balance sheet of Casmite Corporation as of December 31, 2011, and the related income statement for the year ended December 31, 2011, 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

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## INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN APRIL 2, 2012**, 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](mailto: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, 2011, through December 31, 2011. 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)

**1130 East Clark Avenue, 150-263, Orcutt, CA 93455**

(Official mailing address)

**CASMALIA AND NEARBY AREA, SANTA BARBARA COUNTY**

(Service Area - Town and County)

**Telephone Number:** 805.546.6950 **Fax Number:** 866.420.0335

**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

Uriel M. Oseguera, Treasurer, 6001 Bollinger Canyon Road, San Ramon, CA 94528

Kelly Duran, Assistant Secretary, 1130 East Clark Avenue, 150-263, Orcutt, CA 93455

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		Monthly
X		9/7/2006
		N/A
		N/A

11. List Name, Grade, and License Number of all Licensed Operators:

Mike Wentzel Grade: T2; License #27752 Grade: D2; Licence #31114

Jeromy Caldera: Grade T2 #27881 Grade D3 #30898

Michael White: D2; #38369

**Excess Capacity and Non-Tariffed Services**

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each company's Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed goods and services provided in calendar year 2011:

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

**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		
<b>Total</b>		

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, 2011)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	1,317,624	201	Common Stock (Corporations only)	500
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	2,414,611
3	103	Water plant held for future use		215	Retained earnings	(2,074,111)
4	104	Water plant purchased or sold		218	Proprietary capital	
5	105	Water plant construction work in progress		224	Long term debt	
6	108	Accumulated depreciation of water plant	(280,836)		Current Liabilities	703,811
7	114	Water plant acquisition adjustments		252	Advances for construction	
8	124	Other investments		253	Other deferred credits	
9	131	Cash		255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers		282	Accumulated deferred income taxes - ACRS	
11	142	Receivables from associated companies			depreciation	
12	151	Materials and supplies		283	Accumulated deferred income taxes - other	
13	174	Other current assets	8,023	271	Contributions in aid of construction	
14	180	Deferred charges		272	Accumulated amortization of contributions	
15		<b>Total Assets</b>	<b>1,044,811</b>		<b>Total Equity and Liabilities</b>	<b>1,044,811</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
1	301	Intangible plant	11,868				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	223,697				223,697
9	331	Water mains	424,429	173,374			597,803
10	333	Services and meter installations	158,700				158,700
11	334	Meters					
12	335	Hydrants					
13	339	Other equipment					
14	340	Office furniture and equipment					
15	341	Transportation equipment					
16		<b>Total water plant in service</b>	<b>1,144,250</b>	<b>173,374</b>			<b>1,317,624</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	
1	Balance in reserves at beginning of year	207,151		A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272			
4	(b) Charged to Account No. 403	22,885		
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	22,885		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	230,036		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2011)**

Line					
1	Common - (Shares	10	\$	50 par) \$500	List persons owning more than 5% of outstanding stock and number of shares owned by each:  Union Oil Company of California - 100% of shares
2	Preferred - (Shares		\$	par)	
3	Dividends - Common	Rate -	\$		
4	- Preferred	Rate -	\$		

**SCHEDULE E - LONG-TERM DEBTS**

	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**

1	Acct.	<b>Operating revenues</b>	
2	460	Unmetered water revenue	n/a
3	462	Fire protection revenue	n/a
4	465	Irrigation revenue	n/a
5	470	Metered water revenue	90,768
6	475	Approved Total Surcharge Revenue(s)	n/a
7	480	Other water revenue	n/a
8		<b>Total Revenue Received</b>	90,768
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	
11		<b>Total Operating Revenue</b>	90,768
12		<b>Operating expenses</b>	
13	610	Purchased water	n/a
14	615	Purchased power	16,045
15	618	Other volume related expenses	n/a
16	630	Employee labor	n/a
17	640	Materials	n/a
18	650	Contract work	101,753
19	660	Transportation expenses	n/a
20	664	Other plant maintenance expense	109,614
21	670	Office salaries	n/a
22	671	Management salaries	n/a
23	674	Employee pensions and benefits	n/a
24	676	Uncollectible accounts expense	n/a
25	678	Office services and rentals	509
26	681	Office supplies and expense	40,078
27	682	Professional services	154,363
28	684	Insurance	n/a
29	688	Regulatory commission expense	n/a
30	689	General expenses	1,015
31		<b>Total Operating Expenses</b>	423,377
32	403	Depreciation expense	22,885
33	407	SDWBA loan amortization expense	n/a
34	408	Taxes other than income taxes	n/a
35	409	State income tax expense	n/a
36	410	Federal income tax expense	(146,462)
37		<b>Total Operating Revenue Deductions</b>	(123,577)
38		Utility Operating Income	(209,032)
39	421	Non-utility income	n/a
40	426	Miscellaneous non-utility expense	n/a
41	427	Interest expense	n/a
42		<b>Net Income</b>	(209,032)

**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	9,925	ccfs

**OTHER**

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		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		Total for Year	
	Maximum	Minimum		
Residential	August	January	2,408	ccf
Commercial	May	January	181	ccf
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	January	4,013	ccf
Water Troughs	November	January	749	ccf
Total			7,351	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	10	10
3/4-in	2	2
1-in	2	2
1.5-in	0	0
2-in	1	1
<b>Total</b>	<b>15</b>	<b>15</b>

**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 .....	0

**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	2	n/a	2	n/a	n/a	n/a	2	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	n/a	n/a	n/a	1	0
Water Troughs	5	n/a	5	2	n/a	2	7	0
<b>Total</b>	<b>12</b>	<b>n/a</b>	<b>12</b>	<b>3</b>	<b>n/a</b>	<b>3</b>	<b>15</b>	<b>0</b>

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	Footage				Other sizes (specify)	Totals
				2" and under	2 1/4 to 3 1/4	4"			
Concrete	n/a	n/a	Cast Iron	n/a	7,400	n/a		n/a	7,400
Earth	n/a	n/a	Welded steel	n/a	n/a	n/a		n/a	n/a
Wood	n/a	n/a	Standard screw	n/a	n/a	n/a		n/a	n/a
Steel	1	110,000	Cement-asbestos	n/a	n/a	n/a		n/a	n/a
Other			Plastic	n/a	n/a	15,300		n/a	15,300
Black Poly	2	21,000	Other (specify)	n/a	n/a	n/a		n/a	n/a
<b>Total</b>	<b>3</b>	<b>131,000</b>	<b>Total</b>	<b>n/a</b>	<b>7,400</b>	<b>15,300</b>		<b>n/a</b>	<b>22,700</b>

**FACILITY FEES DATA**

**Not Applicable**

Please provide the following information relating to Facility Fees collected for the calendar year 2011, 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**

<u>NAME</u>	<u>AMOUNT</u>
_____	_____ \$
_____	_____ \$
_____	_____ \$
_____	_____ \$

**B. Residential**

<u>NAME</u>	<u>AMOUNT</u>
_____	_____ \$
_____	_____ \$
_____	_____ \$
_____	_____ \$

3. Summary of the bank account activities showing:

	<u>AMOUNT</u>
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 Kelly A. Duran  
Officer, Partner, or Owner (Please Print)

of The Casmite Corporation  
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 of January 1, 2011, through December 31, 2011.

Assistant Secretary  
Title (Please Print)

Kelly A. Duran  
Signature

805-546-6950  
Telephone Number

3-30-2012  
Date