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Received _____

Examined _____

CLASS D
WATER UTILITIES

U# _____

2003
ANNUAL REPORT
OF

WATERTEK, INC. - EAST PLANO

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

P. O. BOX 6040

SALINAS, CA

(OFFICIAL MAILING ADDRESS)

93912-6040

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

1. One completed copy of this report (two copies if three received) must be filed NOT LATER THAN MARCH 31, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

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 the last page, must be signed by an officer, partner or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
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 refer 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.
9. This report must cover a calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

Account Number	Operating Revenue	
470	Metered	
460	Unmetered	9,626
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	9,626
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	794
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	21
640	Materials	2
650	Contract Work	281
	Water Testing	2,024
660	Transportation Expense	14
664	Other Plant Maintenance	2,481
670	Office Salaries	789
671	Management Salaries	683
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	390
681	Office Supplies and Expense	357
682	Professional Services	23
684	Insurance	141
688	Regulatory Expense	471
689	General Expense	71
	Subtotal	8,542
403	Depreciation Expense	88
	Ad Valorem Taxes	
	Payroll taxes	145
408	Taxes other than income	275
409	State Income Tax	
410	Federal Income Tax	
	Total Deductions	9,050
	Net Revenue	576
	Rate Base	

	Average Plant	3,743
	Average Depreciation Reserve	(76)
	Net Plant	3,667
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	Rate Base - 20% (Oper Ratio)	8,630
	ROR=Net Rev/Rate Base	567

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

WATERTEK, INC. - EAST PLANO

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

P. O. BOX 6040 SALINAS, CA 93912-6040

(Official mailing address)

PORTERVILLE, CA TULARE COUNTY

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 1969 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers: Raymond L. Smith - President
Esther I. Smith - Treasurer
- 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: Raymond L. Smith (831) 444-8000
 - (B) Person responsible for operations and services: Raymond L. Smith (831) 444-8000
- 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) 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		2004
X		Monthly
X		2004
N/A		
		Annual

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year.
Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

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

2003

NAME OF UTILITY WATERTEK, INC. - EAST PLANO

PHONE (831)444-8000

PERSON RESPONSIBLE FOR THIS REPORT _____

(Prepared from Information in the 2003 Annual Report)

	1/1/03	12/31/03	Average
BALANCE SHEET DATA			
1 Intangible Plant			
2 Land and Land Rights	2,216	2,216	2,216
3 Depreciable Plant	1,337	1,716	1,527
4 Gross Plant in Service	3,553	3,932	3,743
5 Less: Accumulated Depreciation	(32)	(120)	(76)
6 Net Water Plant in Service	3,521	3,812	3,667
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	3,521	3,812	3,667
CAPITALIZATION			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings	502	1,218	860
18 Common Stock and Equity (Lines 14 through 17)	502	1,218	860
19 Preferred Stock			
20 Long-Term Debt	97	69	83
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	599	1,287	943

(Revised 2/01)

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

20_03
(continued)

NAME OF UTILITY WATERTEK, INC. - EAST PLANO PHONE (831)444-8000

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	9,626
24	Fire Protection Revenue	_____
25	Irrigation Revenue	_____
26	Metered Water Revenue	_____
27	Total Operating Revenue	9,626
28	<u>Operating Expenses</u>	8,542
29	Depreciation Expense (Composite Rate 5.1%)	88
30	Amortization and Property Losses	-
31	Property Taxes	-
32	Taxes Other Than Income Taxes	420
33	Total Operating Revenue Deduction Before Taxes	9,050
34	California Corp. Franchise Tax	-
35	Federal Corporate Income Tax	-
36	Total Operating Revenue Deduction After Taxes	9,050
37	Net Operating Income (Loss) - California Water Operations	576
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	149
39	Income Available for Fixed Charges	725
40	Interest Expense	9
41	Net Income (Loss) Before Dividends	716
42	Preferred Stock Dividends	-
43	Net Income (Loss) Available for Common Stock	716
 OTHER DATA		
44	Refunds of Advances for Construction	_____
45	Total Payroll Charged to Operating Expenses	1,493
46	Purchased Water	-
47	Power	794

<u>Active Service Connections</u>		(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections				
49	Flat Rate Service Connections		13	13	13
50	Total Active Service Connections		13	13	13

**CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA**

N/A

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

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					
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, 2003)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	3,932	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	1,218
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(120)	224	Long term debt	69
6	114	Water plant acquisition adjustments			Current Liabilities	320
7	124	Other investments		252	Advances for construction Intersystem AR/AP	2,101
8	131	Cash		253	Other deferred credits - Advance Billings	787
9	141	Accounts receivable - customers	632	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	51	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	4,495		Total Equity and Liabilities	4,495

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Pit Additions During year	Pit Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					
17	303	Land	2215				2,215
18	304	Structures					
19	307	Wells					
20	317	Other water source plant					
21	311	Pumping equipment	1				1
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes					
24	331	Water mains					
25	333	Services and meter installations					
26	334	Meters					
27	335	Hydrants					
28	339	Other equipment					
29	340	Office furniture and equipment	73	379			452
30	341	Transportation equipment	1,264				1,264
31		Total water plant in service	3,553	379			3,932

* 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	32		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	88		Straight Line - Remaining Life
35	(b) Charged to Account No. 272			Composite Rate - 5.1%
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	88		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	120		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2003)

Line	1	Common - (Shares , \$ par)		List persons owning more than 5% of outstanding stock
	2	Preferred - (Shares , \$ par)		and number of shares owned by each:
	3	Dividends - Common Rate - \$		
	4	- Preferred Rate - \$		None

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								
6	None							
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9		Operating revenues	xxxxxxxxxx
10	460	Unmetered water revenue	9,626
11	462	Fire protection revenue	
12	465	Irrigation revenue	
13	470	Metered water revenue	
14	480	Other water revenue	
15		Total Operating Revenue	9,626
16		Operating revenue deductions	xxxxxxxxxx
17		Operating expenses	xxxxxxxxxx
18	610	Purchased water	
19	615	Power	794
20	618	Other volume related expenses	
21	630	Employee labor	21
22	640	Materials	2
23	650	Contract work	2,305
24	660	Transportation expenses	14
25	664	Other plant maintenance expense	2,481
26	670	Office salaries	789
27	671	Management salaries	683
28	674	Employee pensions and benefits	-
29	676	Uncollectible accounts expense	-
30	678	Office services and rentals	390
31	681	Office supplies and expense	357
32	682	Professional services	23
33	684	Insurance	141
34	688	Regulatory commission expense	471
35	689	General expenses	71
36		Total Operating Expenses	8,542
37	403	Depreciation expense	88
38	407	SDWBA loan amortization expense	-
39	408	Taxes other than income taxes	420
40	409	State corporate income tax expense	-
41	410	Federal corporate income tax expense	-
42		Total Operating Revenue Deductions	9,050
43		Utility Operating Income	576
44	421	Non-utility income	149
45	426	Miscellaneous non-utility expense	
46	427	Interest expense	9
47		Net Income	716

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
Paul St. Cul de sac	1	8	3 6	35	3.4 ac ft

OTHER

Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted (Unit)
	Priority right		Diversions		
	Claim	Capacity	Max	Min	
N/A					
Purchased water (unit)					Annual quantity
Supplier:					

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	1	21		21
49	670	Office salaries Part Time	4	789		789
50	671	Management salaries	1	683		683
51		Total	6	1493		1493

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	NONE

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

Size	Meters	Services
5/8 x 3/4-in		
3/4-in		
1-in		
-in		
-in		
Total		

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		13						13
Industrial								
Other (specify)								
Subtotal		13						13
Fire protection (Hydrants)								
Total		13						13

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				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel	1	1,500	Cement-asbestos					
Other			Plastic	1450				1,450
			Other (specify)					
Total	1	1,500	Total	1450				1,450

DECLARATION

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

I, the undersigned (officer, partner or owner) of WATERTEK, INC. - EAST PLANO (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, 2003, to and including DECEMBER 31, 2003

Signed Raymond L. Smith
PRESIDENT

Title
3/31/04
Date