

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2001
ANNUAL REPORT
OF

METROPOLITAN

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

P.O. Box 6040

SALINAS CA 93912-6040
(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)

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.

WATERTEK, INC. - METROPOLITAN

Summary of Earnings
Test Year 2001

Account Number	Operating Revenue	
470	Metered	5954
460	Unmetered	2236
465	Irrigation	-
462-480	Private Fire Protection	-
	Total Revenue	8190
	Operating Expenses	
610	Purchased Water	-
615	Purchased Power	1896
	Pump Taxes	-
	Purchased Chemicals	-
618	Other Vol. Related exp.	-
630	Employee Labor	249
640	Materials	212
650	Contract Work	2860
	Water Testing	-
660	Transportation Expense	524
664	Other Plant Maintenance	464
670	Office Salaries	707
671	Management Salaries	2280
674	Employee Pensions and Benefits	-
676	Uncollectables	-
678	Office Service and Rentals	1057
681	Office Supplies and Expense	684
682	Professional Services	83
684	Insurance	527
688	Regulatory Expense	-
689	General Expense	329
	Subtotal	11872
403	Depreciation Expense	303
	Ad Valorem Taxes	294
	Payroll taxes	326
408	Taxes other than income	699
409	State Income Tax	40
410	Federal Income Tax	
	Total Deductions	1662
	INTEREST EXPENSE	427
	Net Revenue	(5488)
	Rate Base	
	Average Plant	
	Average Depreciation Reserve	
	Net Plant	SEE CONSOLIDATED REPORT
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	Rate Base	
	ROR=Net Rev/Rate Base	

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

WATERTEK INC - METROPOLITAN
(Name under which corporation, partnership or individual is doing business)

P.O. Box 6040 SALINAS CA 93912 - 6040
(Official mailing address)

FRESNO CA (Service area-town and county) FRESNO 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, CEO } 1633 HARROD WAY SALINAS CA 93906
ESTHER I. SMITH, CFO }
- 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: } 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		2001
X		MONTHLY
X		2001
		N/A
		N/A

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
2001

SEE:
CONSOLIDATED
REPORT

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

PERSON RESPONSIBLE FOR THIS REPORT RAYMOND L. SMITH
(Prepared from Information in the 2001 Annual Report)

BALANCE SHEET DATA		1/1/___	12/31/___	Average
1	Intangible Plant	_____	_____	_____
2	Land and Land Rights	_____	_____	_____
3	Depreciable Plant	_____	_____	_____
4	Gross Plant in Service	_____	_____	_____
5	Less: Accumulated Depreciation	_____	_____	_____
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	=====	=====	=====
CAPITALIZATION				
14	Common Stock	_____	_____	_____
15	Proprietary Capital (Individual or Partnership)	_____	_____	_____
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)	=====	=====	=====

SEE
CONSOLIDATED
REPORT

(Revised 2/01)

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

20 01
(continued)

NAME OF UTILITY WATERTEK, INC - METROPOLITAN PHONE (831) 444-8000

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	<u>2236</u>
24	Fire Protection Revenue	<u>-</u>
25	Irrigation Revenue	<u>-</u>
26	Metered Water Revenue	<u>5954</u>
27	Total Operating Revenue	<u>8190</u>
28	<u>Operating Expenses</u>	<u>-</u>
29	Depreciation Expense (Composite Rate <u>7.63</u>)	<u>303</u>
30	Amortization and Property Losses	<u>-</u>
31	Property Taxes	<u>294</u>
32	Taxes Other Than Income Taxes	<u>1025</u>
33	Total Operating Revenue Deduction Before Taxes	<u>6568</u>
34	California Corp. Franchise Tax	<u>40</u>
35	Federal Corporate Income Tax	<u>-</u>
36	Total Operating Revenue Deduction After Taxes	<u>6528</u>
37	Net Operating Income (Loss) - California Water Operations	<u>-</u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>11872</u>
39	Income Available for Fixed Charges	<u><5344></u>
40	Interest Expense	<u>144</u>
41	Net Income (Loss) Before Dividends	<u><5488></u>
42	Preferred Stock Dividends	<u>-</u>
43	Net Income (Loss) Available for Common Stock	<u><5488></u>

OTHER DATA

44	Refunds of Advances for Construction	<u>-</u>
45	Total Payroll Charged to Operating Expenses	<u>3236</u>
46	Purchased Water	<u>-</u>
47	Power	<u>1896</u>

<u>Active Service Connections</u>		(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>8</u>	<u>8</u>	<u>8</u>
50	Total Active Service Connections		<u>29</u>	<u>29</u>	<u>29</u>

**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, 2001)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service		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	
5	108	Accumulated depreciation of water plant		224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
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		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			Total Equity and Liabilities	

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		1099			1099
18	304	Structures					
19	307	Wells					
20	317	Other water source plant					
21	311	Pumping equipment					
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes					
24	331	Water mains		1164			1164
25	333	Services and meter installations					
26	334	Meters					
27	335	Hydrants					
28	339	Other equipment		1			1
29	340	Office furniture and equipment		109			109
30	341	Transportation equipment					
31		Total water plant in service	0	2373			2373

* 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			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			
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			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			
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

WATERTEK, INC. - METROPOLITAN

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 20__)

Line			List persons owning more than 5% of outstanding stock
1	Common - (Shares	, \$ par)	
2	Preferred - (Shares	, \$ par)	and number of shares owned by each:
3	Dividends - Common	Rate - \$	SEE CONSOLIDATED REPORT
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	NONE							
6								
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxx
10	460 Unmetered water revenue	2236
11	462 Fire protection revenue	-
12	465 Irrigation revenue	-
13	470 Metered water revenue	5954
14	480 Other water revenue	-
15	Total Operating Revenue	8190
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	-
19	615 Power	1896
20	618 Other volume related expenses	-
21	630 Employee labor	249
22	640 Materials	212
23	650 Contract work	2860
24	660 Transportation expenses	524
25	664 Other plant maintenance expense	464
26	670 Office salaries	707
27	671 Management salaries	2280
28	674 Employee pensions and benefits	-
29	676 Uncollectible accounts expense	-
30	678 Office services and rentals	1057
31	681 Office supplies and expense	684
32	682 Professional services	83
33	684 Insurance	527
34	688 Regulatory commission expense	-
35	689 General expenses	329
36	Total Operating Expenses	11872
37	403 Depreciation expense	303
38	407 SDWBA loan amortization expense	-
39	408 Taxes other than income taxes	1319
40	409 State corporate income tax expense	40
41	410 Federal corporate income tax expense	-
42	Total Operating Revenue Deductions	1662
43	Utility Operating Income	<5344>
44	421 Non-utility income	-
45	426 Miscellaneous non-utility expense	-
46	427 Interest expense	144
47	Net Income	<5488>

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
LOT 16 OFF HAMMOND ST.	1	8	7' 7"	143	7.7 ACF

OTHER

Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted (Unit)
	Priority right	Claim	Capacity	Max Diversions	
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 PART TIME	1	249		249
49	670	Office salaries PART TIME	5	707		707
50	671	Management salaries PART TIME	1	2280		2280
51		Total	7	3236		3236

WATERTEK, INC. - METROPOLITAN

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	
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	21	21
1-in		
-in		
-in		
Total	21	21

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		0
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	21	8	29				21	8
Industrial								
Other (specify)								
Subtotal	21	8	29				21	8
Fire protection (Hydrants)		3	3					3
Total	21	11	32				21	11

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				Totals
				2 1/4 to 3 1/4	4"	Other sizes (specify)		
Concrete			Cast Iron					
Earth			Welded steel		876		876	
Wood			Standard screw	435			435	
Steel	1	1,500	Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total	1	1,500	Total	435	876		1311	

DECLARATION

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

I, the undersigned (officer, partner or owner) of WATERTEK, INC. - METROPOLITAN (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

Signed Raymond L. Smith
 Title PRESIDENT
 Date 3/29/02