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CLASS B and C  
WATER UTILITIES

U# 120

2012  
ANNUAL REPORT  
OF

**ALTOS SONOMA CORPORATION**

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**PENNGROVE WATER COMPANY**

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

**4982 Sonoma Highway**

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**SANTA ROSA, CALIF. 95409**

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(OFFICIAL MAILING ADDRESS)

ZIP

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
YEAR ENDED DECEMBER 31, 2012

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2013

**PENNGROVE WATER COMPANY 2012 ANNUAL REPORT**

Account Number	Operating Revenue	
470	Metered	\$989,056
460	Unmetered	\$35
465	Irrigation	\$0
462-480	Private Fire Protection	\$3,150
	Total Revenue	\$992,241
	Operating Expenses	
610	Purchased Water	\$163,224
615	Purchased Power	\$10,773
	Pump Taxes	\$0
	Purchased Chemicals	\$1,509
618	Other Volumn Related Expenses	\$0
630	Employee Labor	\$77,013
640	Materials	\$16,725
650	Contract Work	
	Water Testing	\$7,395
660	Transportation	\$11,526
664	Other Plant Maintenance	\$3,772
670	Office Salaries	\$40,891
671	Management Salaries	\$98,278
674	Employee Pensions and Benefits	\$60,311
676	Uncollectables	\$3,724
678	Office Service and Rentals	\$13,480
681	Office Supplies and Expense	\$16,851
682	Professional Services	\$7,126
684	Insurance	\$16,656
688	Regulatory Expense	\$0
689	General Expense	\$1,536
	Subtotal	\$550,790
403	Depreciation Expense	\$56,030
408	Ad Valorem Taxes	\$15,044
408	Payroll Taxes	\$18,971
408	Taxes Other Than Income	\$0
409	State Income Tax	\$29,054
410	Federal Income Tax	\$105,125
	Total Deductions	\$775,015
	Net Revenue	\$217,226

**PENGROVE WATER COMPANY 2012 ANNUAL REPORT**

**Rate Base**

Average Plant	\$4,784,586
Net Plant	\$3,778,334
Less: Advances	(\$15,277)
Less: Contributions Average Net	(\$1,928,886)
Plus: Construction Work in Progress	\$0
Plus: Working Cash	\$44,749
Plus: Materials & Supplies	\$7,732
Rate Base	\$1,886,652
Rate of Return	11.51%

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## GENERAL INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN APRIL 2, 2013**, 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 Page 34, must be signed by an authorized 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. 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, 2012, through December 31, 2012. Fiscal year reports will not be accepted.

## **INSTRUCTIONS**

### **FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR ALL WATER UTILITIES**

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.



**GENERAL INFORMATION**

1 Name under which utility is doing business: **PENNGROVE WATER COMPANY**

2 Official mailing address: **4982 Sonoma Highway**  
**SANTA ROSA, CALIF. 95409**

3 Name and title of person to whom correspondence should be addressed:  
**KAREN L. BALL, MANAGER** Telephone: **(707) 539-6397**

4 Address where accounting records are maintained: **4982 SONOMA HIGHWAY,**  
**SANTA ROSA, CALIF. 95409**

5 Service Area (Refer to district reports if applicable):  
**PENNGROVE AND VICINITY, SONOMA COUNTY**

6 Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_ Telephone: \_\_\_\_\_

7 OWNERSHIP. Check and fill in appropriate line:  
 Individual (name of owner) \_\_\_\_\_  
 Partnership (name of partner) \_\_\_\_\_  
 Partnership (name of partner) \_\_\_\_\_  
 Partnership (name of partner) \_\_\_\_\_  
 Corporation (corporate name) **ALTOS SONOMA CORPORATION**  
Organized under laws of (state) **Calif.** Date: \_\_\_\_\_ **1995**

Principal Officers:  
(Name) **James B. Downey** (Title) **President**  
(Name) **Kathleen S. Downey** (Title) **Secty, Treas.**  
(Name) \_\_\_\_\_ (Title) \_\_\_\_\_  
(Name) \_\_\_\_\_ (Title) \_\_\_\_\_

8 Names of associated companies:  
\_\_\_\_\_  
\_\_\_\_\_

9 Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:  
\_\_\_\_\_  
Date: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

10 Use the space below for supplementary information or explanations concerning this report:  
\_\_\_\_\_  
\_\_\_\_\_

11 List Name, Grade, and License Number of all Licensed Operators:  
**Karen L. Ball T-2 16977**  
**Troy Bathke T-2,23410, D-2,27267**  
**Danney McVay II T-2 23283, D-3 16603**

## BALANCE SHEET AND CAPITALIZATION DATA

Calendar Year **2012**

NAME OF UTILITY PENNGROVE WATER COMPANY PHONE 707 539-6397

PERSON RESPONSIBLE FOR THIS REPORT Karen L. Ball

	<u>1/1/12</u>	<u>12/31/12</u>	<u>Average</u>
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant	0	0	0
2 Land and Land Rights	4000	4000	4000
3 Depreciable Plant	4746207	4814965	4780586
4 Gross Plant in Service	4750207	4818965	4784586
5 Less: Accumulated Depreciation	956763	1055741	1006252
6 Net Water Plant in Service	3793444	3763224	3778334
7 Water Plant Held for Future Use	0	0	0
8 Construction Work in Progress	0	0	0
9 Materials and Supplies	4889	10574	7732
10 Less: Advances for Construction	(18003)	(12550)	(15277)
11 Less: Contribution in Aid of Construction	(1952039)	(1905733)	(1928886)
12 Less: Accumulated Deferred Income and Investment Tax Credits	0	0	0
13 Net Plant Investment	<u>1828291</u>	<u>1855515</u>	<u>1841903</u>
<b>CAPITALIZATION</b>			
14 Common Stock	0	0	0
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	0	0	0
17 Retained Earnings	2044978	1951318	1998148
18 Common Stock and Equity (Lines 14 through 17)	0	0	0
19 Preferred Stock	0	0	0
20 Long-Term Debt	0	0	0
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	<u>2044978</u>	<u>1951318</u>	<u>1998148</u>

**INCOME STATEMENT AND OTHER DATA**

Calendar Year **2012**

NAME OF UTILITY PENNGROVE WATER COMPANY

PHONE 707 539-6397

	Annual Amount
<b>INCOME STATEMENT</b>	
23 Unmetered Water Revenue	
24 Fire Protection Revenue	<u>3150</u>
25 Irrigation Revenue	
26 Metered Water Revenue	<u>992241</u>
27 Total Operating Revenue	<u>992241</u>
28 Operating Expenses	<u>550790</u>
29 Depreciation Expense (Composite Rate <u>2.42%</u> )	<u>56030</u>
30 Amortization and Property Losses	
31 Property Taxes	<u>15044</u>
32 Taxes Other Than Income Taxes	<u>18971</u>
33 Total Operating Revenue Deduction Before Taxes	<u>640835</u>
34 California Corp. Franchise Tax	<u>29054</u>
35 Federal Corporate Income Tax	<u>105125</u>
36 Total Operating Revenue Deduction After Taxes	<u>775015</u>
37 Net Operating Income (Loss) - California Water Operations	<u>217226</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	
<b>OTHER DATA</b>	
44 Refunds of Advances for Construction	<u>5453</u>
45 Total Payroll Charged to Operating Expenses	<u>216182</u>
46 Purchased Water	<u>163224</u>
47 Power	<u>10773</u>

	(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
<u>Active Service Connections</u>				
48 Metered Service Connections		<u>690</u>	<u>698</u>	<u>694</u>
49 Flat Rate Service Connections				
50 Total Active Service Connections		<u>690</u>	<u>698</u>	<u>694</u>

**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 companies 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 good and service provided in 2012:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row Number	Description of Non-Tariffed Goods/Services	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
-	-	-									

**SCHEDULE A  
COMPARATIVE BALANCE SHEET  
Assets and Other Debits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
<b>UTILITY PLANT</b>					
1	101	Water plant in service	A-1	4818965	4750207
2	103	Water plant held for future use	A-1 & A-1b	0	0
3	104	Water plant purchased or sold	A-1	0	0
4	105	Water plant construction work in progress	A-1	0	0
5		Total utility plant		4818965	4750207
6	106	Accumulated depreciation of water plant	A-3	(1055741)	(956763)
7	114	Water plant acquisition adjustments	A-1	0	0
8		Total amortization and adjustments			
9		Net utility plant		3763224	3793444
<b>INVESTMENTS</b>					
10	121	Non-utility property and other assets			
11	122	Accumulated depreciation of non-utility property	A-3		
12		Net non-utility property			
13	123	Investments in associated companies			
14	124	Other investments			
15		Total investments			
<b>CURRENT AND ACCRUED ASSETS</b>					
16	131	Cash		71859	42613
17	132	Special accounts		40766	939
18	141	Accounts receivable - customers		71692	84045
19	142	Receivables from associated companies			0
20	143	Accumulated provision for uncollectible accounts			0
21	151	Materials and supplies		10574	4889
22	174	Other current assets			
23		Total current and accrued assets		194891	132486
24	180	Deferred charges	A-5		
25		<b>Total assets and deferred charges</b>		<b>3958115</b>	<b>3925930</b>

**SCHEDULE A  
COMPARATIVE BALANCE SHEET  
Liabilities and Other Credits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
<b>CORPORATE CAPITAL AND SURPLUS</b>					
1	201	Common stock	A-6		
2	204	Preferred stock	A-6		
3	211	Other paid-in capital	A-8		
4	215	Retained earnings	A-9	1951318	1889023
5		Total corporate capital and retained earnings		1951318	1889023
<b>PROPRIETARY CAPITAL</b>					
6	218	Proprietary capital	A-10		
7	218.1	Proprietary drawings			
8		Total proprietary capital		0	0
<b>LONG TERM DEBT</b>					
9	224	Long term debt	A-11		2291
10	225	Advances from associated companies	A-12		
<b>CURRENT AND ACCRUED LIABILITIES</b>					
11	231	Accounts payable		87814	63399
12	232	Short term notes payable			0
13	233	Customer deposits		670	1175
14	235	Payables to associated companies	A-13		0
15	236	Accrued taxes			0
16	237	Accrued interest			0
17	241	Other current liabilities	A-14		0
18		Total current and accrued liabilities		88484	66865
<b>DEFERRED CREDITS</b>					
19	252	Advances for construction	A-15	12550	18003
20	253	Other credits			
21	255	Accumulated deferred investment tax credits	A-16		
22	282	Accumulated deferred income taxes - ACRS depreciation	A-16		
23	283	Accumulated deferred income taxes - other	A-16		
24		Total deferred credits		12550	18003
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>					
25	271	Contributions in aid of construction	A-17	2499689	2481286
26	272	Accumulated amortization of contributions		(593956)	(529247)
27		Net contributions in aid of construction		1905733	1952039
28		<b>Total liabilities and other credits</b>		<b>3958085</b>	<b>3925930</b>

**SCHEDULE A-1  
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water plant in service	4750207	86508	(13533)	(4217)	4818965
2	103	Water plant held for future use	0				0
3	104	Water plant purchased or sold	0				
4	105	Construction work in progress - water plant	0				0
5	114	Water plant acquisition adjustments	0				0
6		<b>Total utility plant</b>	4750207	86508	(13533)	(4217)	4818965

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

**SCHEDULE A-1a  
Account No. 101 - Water Plant in Service**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plt Additions During year (c)	Plt Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
		<b>NON-DEPRECIABLE PLANT</b>					
1	301	Intangible plant	0				
2	303	Land	4000				4000
3		Total non-depreciable plant	4000	0	0	0	4000
		<b>DEPRECIABLE PLANT</b>					
4	304	Structures	143180				143180
5	307	Wells	187759				187759
6	317	Other water source plant	116347				116347
7	311	Pumping equipment	167024	20,414	(7823)	(3217)	176398
8	320	Water treatment plant	6523	3,806			10329
9	330	Reservoirs, tanks and sandpipes	362231				362231
10	331	Water mains	2671969	16,763	(300)	(1000)	2687432
11	333	Services and meter installations	560225	12,403			572628
12	334	Meters	201012	26,598	(4960)		222650
13	335	Hydrants	212606				212606
14	339	Other equipment	43952	325	(450)		43827
15	340	Office furniture and equipment	42386	3760			46146
16	341	Transportation equipment	30993	2439			33432
17		Total depreciable plant	4746207	86508	(13533)	(4217)	4814965
18		<b>Total water plant in service</b>	4750207	86508	(13533)	(4217)	4818965

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

**SCHEDULE A-1b**  
**Account No. 103 - Water Plant Held for Future Use**

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property will be placed in Service (c)	Balance End of Year (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10	Total			0

**SCHEDULE A-2**  
**Account No. 121 - Non-utility Property and Other Assets**

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	



**SCHEDULE A-3**  
**Account Nos. 108 and 122 - Depreciation and Amortization Reserves**

Line No.	Item (a)	Account 106 Water Plant (b)	Account 106.1 SDWBA Loans (c)	Account 122 Non-utility Property (d)
1	Balance in reserves at beginning of year	956763		
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 403 (Footnote 1)	56030		
4	(b) Charged to Account No 272	60492		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered	206		
7	(e) All other credits (Footnote 2)			
8	Total Credits	1073491		
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	(13533)		
11	(b) Cost of removal			
12	(c) All other debits (Footnote 3)	(4,217)		
13	Total debits	(17750)		
14	Balance in reserve at end of year	1055741		
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE			2.42%
16				
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18				
19				
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS:			
24	CIAC funded original, Company replaced			
25				
26				
27				
28				
29	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION			
30	(a) Straight line	X		
31	(b) Liberalized	[ ]		
32	(1) Sum of the years digits	[ ]		
33	(2) Double declining balance	[ ]		
34	(3) Other	[ ]		
35	(c) Both straight line and liberalized	[ ]		

**SCHEDULE A-3a**  
**Account No. 108 - Analysis of Entries in Depreciation Reserve**

Line No.	Acct No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excluding Costs of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures	14462	3465	0		17927
2	307	Wells	14583	4544	0		19126
3	317	Other water source plant	19275	2816	0		22091
4	311	Pumping equipment	46417	4269	(7823)	(4217)	38646
5	320	Water treatment plant	1785	250	0		2035
6	330	Reservoirs, tanks and sandpipes	62965	8766	0		71731
7	331	Water mains	594867	65036	(300)		659603
8	333	Services and meter installations	116269	13858	0		130127
9	334	Meters	14283	5388	(4960)	206	14918
10	335	Hydrants	49173	5145	0		54318
11	339	Other equipment	3628	1061	(450)		4239
12	340	Office furniture and equipment	11123	1117	0		12240
13	341	Transportation equipment	7933	809	0		8742
14		Total	956763	116522	(13533)	(4011)	1055741

**SCHEDULE A-4**  
**Account No. 174 - Other Current Assets**

Line No.	Item (a)	Amount (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

**SCHEDULE A-5**

**Accounts Nos. 180 and 253 - Unamortized debt discount and expense and unamortized premium on debt**

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of Long-Term Debts (a)	Principal Amount of Securities to Which Discount and Expense, or Premium Minus Expense, Relates (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

**SCHEDULE A-6**  
**Account Nos. 201 and 204 - Capital Stock**

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1								
2								
3								
4								
5								
6								
7								
8							Total	

**SCHEDULE A-7**  
**Record of Stockholders at End of Year**

Line No.	COMMON STOCK		PREFERRED STOCK	
	Name (a)	Number of Shares (b)	Name (c)	Number of Shares (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10	Total number of shares _____		Total number of shares _____	

**SCHEDULE A-8**  
**Account No. 211 - Other Paid in Capital (Corporations only)**

Line No	Type of Paid in Capital (a)	Balance End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		Total

**SCHEDULE A-9**  
**Account No. 215 - Retained Earnings**  
**(Corporations Only)**

Line No	Item (a)	Amount (b)
1	Balance beginning of year	2044978
2	<b>CREDITS</b>	
3	Net income	217226
4	Prior period adjustments	
5	Other credits (detail)	
6	Total Credits	2262205
7		
8	<b>DEBITS</b>	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Altos Sonoma Corporation	(310887)
14	Total Debits	(310887)
15	Balance end of year	1951318

**SCHEDULE A-10**  
**Account No. 218 - Proprietary Capital**  
**(Sole Proprietor or Partnership)**

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	<b>CREDITS</b>	
3	Net income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total Credits	
7	<b>DEBITS</b>	
8	Net losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total Debits	
12	Balance end of year	

**SCHEDULE A-11**  
**Account No. 224 - Long-Term Debt**

Line No.	Class (a)	Name of Issue (b)	Date of Issue (c)	Date of Maturity (d)	Principal Amount Authorized (e)	Outstanding Per Balance Sheet (f)	Interest Rate (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	vehicle-									
2										
3										
4										
5										
6										

**SCHEDULE A-12**  
**Account No. 225 - Advances from Associated Companies**

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3					
4					
5					
6	Totals				

**Schedule A-13**  
**Account No. 235 - Payables to Associated Companies**

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3					
4					
5					
6	Totals				

**SCHEDULE A-14**  
**Account No. 241 - Other Current Liabilities**

Line No.	Description (a)	Balance End of Year (b)
1		
2		
3		
4		
5	Total	

**SCHEDULE A-15**  
**Account No. 252 - Advances for Construction**

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year		18003
2	Additions during year		
3	Subtotal - Beginning balance plus additions during year		18003
4	Charges during year:		
5	Refunds		
6	Percentage of revenue basis	5453	
7	Proportionate cost basis		
8	Present worth basis		
9	Total refunds	5453	
10	Transfers to Acct. 271, Contributions in aid of Construction		
11	Due to expiration of contracts		
12	Due to present worth discount		
13	Total transfers to Acct. 271	0	
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - charges during year	0	
16	Balance end of year		12550

**SCHEDULE A-16**  
**Account Nos. 255, 282, and 283 - Deferred Taxes**

Line No.	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 - Other (d)
1				
2				
3				
4				
5	Total			

**SCHEDULE A-17**  
**Account No. 271 - Contributions in Aid of Construction**  
**Instructions for Preparation of Schedule of Contributions in Aid of Construction**

1. The credit balance in the account other than that portion of the balance relating to non-depreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 106, Accumulated depreciation of water plant, over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account No. 106. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.
2. That portion of the balance applicable to non-depreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such non-depreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.
3. That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.		Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 <sup>2</sup> (e)	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 <sup>3</sup> (f)
			Depreciable (c)	Non-Depreciable <sup>1</sup> (d)		
1	Balance beginning of year	2,481,286				
2	Add: Credits to account during year					
3	Contributions revived during year	18,403				
4	Other credits*					
5	Total credits	2,499,689				
6	Deduct: Debits to Account during year	4,217				
7	Depreciation charges for year	60,492				
8	Non-depreciable donated property retired					
9	Other debits* (acum dep)	529,247				
10	Total debits	593,956				
11	Balance end of year Net	1,905,733				

\* Indicate nature of these items and show the accounts affected by the contra entries



**SCHEDULE B  
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
<b>UTILITY OPERATING INCOME</b>				
1	400	<b>Operating Revenues</b>	B-1	992241
<b>OPERATING REVENUE DEDUCTIONS</b>				
2	401	Operating expenses	B-2	550790
3	403	Depreciation expense	A-3	56030
4	407	SDWBA loan amortization expense	pages 7 & 8	
5	408	Taxes other than income taxes	B-3	34015
6	409	State corporate income tax expense	B-3	29054
7	410	Federal corporate income tax expense	B-3	105125
8		Total operating revenue deductions		775015
9		Total utility operating income		217226
<b>OTHER INCOME AND DEDUCTIONS</b>				
10	421	Non-utility income	B-5	
11	426	Miscellaneous non-utility expense	B-5	
12	427	Interest expense	B-6	
13		Total other income and deductions		0
14		Net income		217226

**SCHEDULE B-1**  
**Account No. 400 - Operating Revenues**

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
<b>WATER SERVICE REVENUES</b>					
1	460	Unmetered water revenue			
2		460.1 Single - family residential		0	0
3		460.2 Commercial and multi-residential		0	0
4		460.3 Large water users		0	0
5		460.5 Safe Drinking Water Bond Surcharge		0	0
6		460.9 Other unmetered revenue	35	359	-324
7		Sub-total	35	359	-324
8	462	Fire protection revenue			
9		462.1 Public fire protection			
10		462.2 Private fire protection	3150	2446	704
11		Sub-total	3150	2446	704
12	465	Irrigation revenue			
13	470	Metered water revenue			
14		470.1 Single-family residential	887,956	780000	107956
15		470.2 Commercial and multi-residential	40669	41231	-562
16		470.3 Large water users	60431	37820	22611
17		470.5 Safe Drinking Water Bond Surcharge		0	0
18		470.9 Other metered revenue		0	0
19		Sub-total	989056	859051	130005
20		Total water service revenues	992241	861856	130385
21	480	Other water revenue			
22		Total operating revenues	992241	861856	130385

**SCHEDULE B-2**  
**Account No. 401 - Operating Expenses**

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>					
<b>VOLUME RELATED EXPENSES</b>					
1	610	Purchased water	\$163,224	\$147,056	\$16,168
2	615	Power	\$10,773	\$10,493	\$280
3	616	Other volume related expenses	\$1,509	\$861	\$648
4		Total volume related expenses	\$175,506	\$158,410	\$17,096
<b>NON-VOLUME RELATED EXPENSES</b>					
5	630	Employee labor	\$83,745	\$86,717	(\$2,972)
6	640	Materials	\$16,725	\$19,041	(\$2,316)
7	650	Contract work	\$7,395	\$6,763	\$632
8	660	Transportation expenses	\$11,526	\$12,903	(\$1,377)
9	664	Other plant maintenance expenses	\$3,772	\$2,597	\$1,175
10		Total non-volume related expenses	\$123,163	\$128,021	(\$4,858)
11		Total plant operation and maintenance exp.	\$298,669	\$286,431	\$12,238
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					
12	670	Office salaries	\$40,891	\$37,951	\$2,940
13	671	Management salaries	\$98,278	\$95,692	\$2,586
14	674	Employee pensions and benefits	\$60,311	\$56,639	\$3,672
15	676	Uncollectible accounts expense	\$3,724	\$2,434	\$1,290
16	678	Office services and rentals	\$13,480	\$8,470	\$5,010
17	681	Office supplies and expenses	\$16,851	\$15,476	\$1,375
18	682	Professional services	\$7,126	\$7,389	(\$263)
19	684	Insurance	\$16,656	\$18,903	(\$2,247)
20	688	Regulatory commission expense		\$0	\$0
21	689	General expenses	\$1,536	\$2,319	(\$783)
22		Total administrative and general expenses	\$258,853	\$245,273	\$13,580
23	800	Expenses capitalized	(\$6,732)	(\$8,524)	\$1,792
24		Net administrative and general expense	\$252,121	\$236,749	\$15,372
25		Total operating expenses	\$550,790	\$523,180	\$27,610

**SCHEDULE B-3**  
**Account No. 408, 409, 410 - Taxes Charged During the Year**

Line No.	Type of Tax (a)	Total Taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	15,044		
2	State corporate franchise tax	29,054		
3	State unemployment insurance tax	992		
4	Other state and local taxes			
5	Federal unemployment insurance tax	315		
6	Federal insurance contributions act	17,664		
7	Other federal taxes			
8	Federal income taxes	105,125		
9	Total	168,195		

**SCHEDULE B-4**  
**Reconciliation of Reported Net Income for Federal Income Taxes**

- 1 Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.
  
- 2 If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax amount the group members.
  
- 3 Show taxable year if other than calendar year from \_\_\_\_\_ to \_\_\_\_\_.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5	Please see following sheet for income tax calculation.	
6		
7		
8		
9		
10	Federal tax net income	
11	Computation of tax:	
12		
13		
14		
15		
16		
17		

## Income Tax Calculation 2012

Resolution W-4443 states that Kenwood Village Water Company is considered a Class C Utility for the purposes of ratemaking, by virtue of its common ownership with Penngrove Water Company. Therefore Penngrove and Kenwood Water Company are considered combined for the purposes of taxation.

	Penngrove	Kenwood
Gross Income	992,241	331,028
Expenses	(550,790)	(187,442)
Depreciation	(56,030)	(14,654)
Pay/Prop. Tax	(34,015)	(10,809)
 Taxable Income	 351,406	 118,123
 Total Taxable		 469,529
State Income Tax Multiplier		8.84%
Total State Income Tax		41,506
Split State Income Tax	29,054	12,452
 Federal Taxable Income		 428,023
1st 100K Taxes		22,250
1st 100K Taxes Split	15,575	6,675
 Federal Income @ Highest Bracket		 328,023
Federal Tax Rate for Highest Bracket		39.00%
Federal Tax @ Highest Bracket		127,929
Federal Tax Split @ Highest E	89,550	38,379
 <b>Total Federal Taxes</b>	 <b>105,125</b>	 <b>45,054</b>

<b>SCHEDULE B-5</b>			
<b>Accounts No. 421 and 426 - Income from Nonutility Operations</b>			
Line No.	Description (a)	Revenue Acct. 421 (b)	Expense Acct. 426 (c)
1			
2			
3			
4			
5	Total		

<b>SCHEDULE B-6</b>		
<b>Account No. 427 - Interest Expense</b>		
Line No.	Description (a)	Amount (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	

<b>SCHEDULE C-1</b>						
<b>Compensation of Individual Proprietor, Partners and Employees Included in Expenses</b>						
Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Charged to Expense (c)	Salaries Charged to Plant Accounts (d)	Total Salaries and Wages Paid (e)
1	630	Employee Labor	2	\$77,013	\$6,732	\$83,745
2	670	Office salaries	1	\$40,891		\$40,891
3	671	Management salaries	2	\$98,278		\$98,278
4						
5						
6		Total	5	\$216,182	\$6,732	\$222,914

SCHEDULE C-2								
Loans to Directors, Officers, or Shareholders								
Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (e)	Security Given (f)	Date of Shareholder Authorization (g)	Other Information (h)
1								
2								
3								
4								
5								
6								
7	Total							

SCHEDULE C-3	
Engineering and Management Fees and Expenses, Etc., During Year	
Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.
1	1. Did the respondent have a contract or other agreement with any organization or person covering supervision
2	and/or management of its own affairs during the year? Answer: <b>No</b>
3	(If the answer is in the affirmative, make appropriate replies to the following questions)*
4	2. Name of each organization or person that was a party to such a contract or agreement.
5	
6	3. Date of original contract or agreement.
7	4. Date of each supplement or agreement.
8	5. Amount of compensation paid during the year for supervision or management . . . . \$
9	6. To whom paid
10	7. Nature of payment (salary, traveling expenses, etc.).
11	8. Amounts paid for each class of service.
12	
13	9. Basis for determination of such amounts
14	
15	10. Distribution of payments: <span style="float:right">Amount</span>
16	(a) Charged to operating expenses <span style="float:right">\$</span>
17	(b) Charged to capital amounts <span style="float:right">\$</span>
18	(c) Charged to other account <span style="float:right">\$</span>
19	Total <span style="float:right">\$</span>
20	11. Distribution of charges to operating expenses by primary accounts
21	Number and Title of Account <span style="float:right">Amount</span>
22	<span style="float:right">\$</span>
23	<span style="float:right">\$</span>
24	<span style="float:right">\$</span>
25	Total <span style="float:right">\$</span>
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?
27	
* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.	

SCHEDULE D-1 Sources of Supply and Water Developed									
STREAMS					FLOW IN ..... (Unit) <sup>2</sup>			Annual Quantities Diverted	Remarks
Line No.	Diverted Into *	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions		.....(Unit) <sup>2</sup>	
				Claim	Capacity	Max.	Min.		
1									
2									
3									
4									
5									
WELLS						Pumping Capacity	Annual Quantities Pumped	Remarks	
Line No.	At Plant (Name or Number)	Location	No.	Dimensions	Depth to Water <sup>1</sup>	..... (Unit) <sup>2</sup>	CCF		
6	Canon Manor		1	12" x 466'	212'	250 GPM	9827		
7	Canon Manor		2	12" x 440'	220'	200 GPM	13407		
8									
9									
10							23,234	Total:	
TUNNELS AND SPRINGS				FLOW IN ..... (Unit) <sup>2</sup>			Annual Quantities Pumped	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum	.....(Unit) <sup>2</sup>			
11									
12									
13									
14									
15									
Purchased Water for Resale									
16	Purchased from Sonoma County Water Agency								
17	Annual Quantities purchased	79,862				(Unit chosen) <sup>1</sup>	CCF		
18									
19									
<p>* State ditch pipeline reservoir, etc., with name, if any.</p> <p>1 Average depth to water surface below ground surface</p> <p>2 The quantity unit in established use for experiencing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second. In gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.</p>								Total Production and Purchased Water:	103,096

SCHEDULE D-2 Description of Storage Facilities					
Line No	Type	No.	Combined Capacity (Gallons or Acre Feet)		Remarks
1	A. Collecting reservoirs				
2	Concrete				
3	Earth				
4	Wood				
5	B. Distribution reservoirs				
6	Concrete				
7	Earth				
8	Wood				
9	C. Tanks				
10	Wood				
11	Metal	2	546000	Gal	
12	Concrete				
13	Total		546000	Gal	



**SCHEDULE D-3**  
**Description of Transmission and Distribution Facilities**

<b>A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES</b>								
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____								
Line No.	Description	0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75
1	Ditch							
2	Flume							
3	Lined conduit							
4								
5	Total							

<b>A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Continued)</b>								
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____								
Line No.	Description	101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000
6	Ditch							
7	Flume							
8	Lined conduit							
9								
10	Total							

<b>B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING</b>									
Line No.	Description	1	1 1/2	2	2 1/2	3	4	5	6
11	Cast Iron								
12	Cast iron (cement lined)								54
13	Concrete								
14	Copper								
15	Riveted steel								
16	Standard screw			5695	5082		380		
17	Screw or welded casing								
18	Cement - asbestos						2365		29162
19	Welded steel								
20	Wood								
21	C-900 Plastic			2390	300		1929		25311
22	Total	0	0	8085	5382	0	4674	0	54527

<b>B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - (Continued)</b>								
Line No.	Description	10	12	14	16	18	20	Other Sizes (Specify)
23	Cast Iron							
24	Cast iron (cement lined)							
25	Concrete							
26	Copper							
27	Riveted steel							
28	Standard screw							
29	Screw or welded casing							
30	Cement - asbestos							
31	Welded steel	2420						
32	Wood							
33	C-900 Plastic	2576						
34	Total	4996	0	0	0	0	0	0

76 to 100

<b>ued)</b>
Total All Lengths

8
80
24299
24379

<b>ied)</b>
Total All Sizes
80
54
0
0
0
11157
0
31527
2420
0
56805
102043

SCHEDULE D-4 Number of Active Service Connections				
Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
	Single family residential	665	673	
Commercial and Multi-residential	20	20		
Large water users	5	5		
Public authorities	0			
Industrial	0			
Irrigation	0			
Other (specify)	0			
	0			
Subtotal	690	698		
Private fire connections	6	7		
Public fire hydrants	92	92		
Total	788	797		

SCHEDULE D-5 Number of Meters and Services on Pipe Systems at End of Year		
Size	Meters	Services
5/8 x 3/4 - in	625	
3/4 - in		
1 - in	89	
2 - in	5	
- in		
- in		
- in		
- in		
Other		
Total	719	

SCHEDULE D-6 Meter Testing Data	
A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received . . .	62
2. Used, before repair . . . . .	meters replaced
3. Used, after repair . . . . .	during yr.
4. Found fast, requiring billing adjustment . . . . .	
B. Number of Meters in Service Since Last Test	
1. Ten years or less . . . . .	627
2. More than 10, but less than 15 years . . . . .	71
3. More than 15 years . . . . .	

SCHEDULE D-7								
	During Current Year							Subtotal
	January	February	March	April	May	June	July	
Single-family residential	5694	5844	5085	5356	9692	10275	11786	53732
Commercial and Multi-residential	2	2	2	3	3	3	3	18
Large water users	66	74	104	144	411	880	1300	2979
Public authorities								0
Irrigation								0
Other (specify)								0
Total	5762	5920	5191	5503	10106	11158	13089	56729

  

	During Current Year						Subtotal	Total	Total Prior Year
	August	September	October	November	December				
Single-family residential	10858	8617	8466	4641	4899	37481	91213	86327	
Commercial and Multi-residential	3	3	3	2	2	13	31	30	
Large water users	1700	1750	1650	810	243	6153	9132	8417	
Public authorities						0	0	0	
Irrigation						0	0	0	
Other (specify)						0	0	0	
Total	12561	10370	10119	5453	5144	43647	100376	94774	

<sup>1</sup> Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated \_\_\_\_\_ Total population served: ~1800



**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:

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:

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					

## FACILITIES FEES DATA

**Class B:** Please provide the following information relating to Facilities Fees for districts or subsidiaries serving 2,000 or fewer customers for the calendar year (per D.91-04-068).

**Class C:** Please provide the following information relating to Facilities Fees collected for the calendar year, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: Sonoma Bank  
 Address: Box 14489 Santa Rosa, Calif. 95404  
 Account Number: 101108652  
 Date Opened: 1/1/2007

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

**A. Commercial**

NAME	AMOUNT
	\$
	\$
	\$

**B. Residential**

NAME	AMOUNT
please see attached list	
	48,327

3. Summary of the bank account activities showing:

Balance at beginning of year	939
Deposits during the year	48,327
Interest earned for calendar year	18
Withdrawals from this account	8,518
Balance at end of year	40,766

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

PWC for CM T2 advance	8,518
	8,518

FACILITIES FEES LIST

<u>Customer</u>	<u>Location</u>	<u>Facility Fee</u>
Kimmerley	WCM	7,815
Cheney	WCM	3,000
Tatman	WCM	7,815
Wyatt	WCM	7,815
English	ECM	3,126
Jensen	ECM	3,126
Sessi	Ronsh.	7,815
Bell	Woodward	<u>7,815</u>
Total		<b>48,327</b>



**DECLARATION**

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

I, the undersigned Karen L. Ball, Manager

Authorized Officer, Partner or Owner

of Penngrove 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 of January 1, 2012, through December 31, 2012.

*Karen L. Ball*

Signature

Manager

Title

March 22, 2013

Date

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## NOTES for 2012 PENNGROVE ANNUAL REPORT

1. 131	Checking Acct	50,269
	Money Market	<u>21,590</u>
		71,859
2. 132	PFF	40,766
3. 101	CIAC Removals	(4,217)

	<u>CIAC</u>	<u>COMPANY</u>	<u>TOTAL</u>
4. 311		927	927
		399	399
		1,016	(500) 516
		2,391	2,391
		10,960	(7,323) 3,637
		<u>4,721</u>	<u>(3,216)</u> <u>1,505</u>
		<b>20,414</b>	<b>(11,039)</b> <b>9,375</b>
5. 320			
		1,140	1,140
		<u>2,666</u>	<u>2,666</u>
		<b>3,806</b>	<b>3,806</b>
6. 331			
		5,351	5,351
		1,722	(300) 1,422
		3,690	(1,000) 2,690
			0
		<u>6,000</u>	<u>6,000</u>
		<b>6,000</b>	<b>(1,300)</b> <b>15,463</b>
7. 333			
		3,500	
		3,300	3,300
		4,553	4,553
		<u>1,050</u>	<u>1,050</u>
		<b>12,403</b>	<b>12,403</b>
8.&9 334			
		<u>26,598</u>	<u>(4,960)</u> <u>21,638</u>
		<b>26,598</b>	<b>(4,960)</b> <b>21,638</b>
10&11. 339			
		158	158
		<u>167</u>	(450) (283)
		<b>325</b>	<b>(450)</b> <b>(125)</b>

**NOTES for 2012 PENNGROVE ANNUAL REPORT**

12. 340 all @ 70% cost

Deskw/file	608	608
Phones (2)	207	207
Wstbskt	8	8
chair matt	169	169
lunch/w		
4 chairs	336	336
Desk chair	149	149
Filemaker 11	237	237
Micro Bus.	180	180
Dell 3010 Mini	547	547
Dell Monitor	85	85
Printer shroud	734	734
Penn. An. Reprt.	<u>500</u>	<u>500</u>
<b>Sub total</b>	<b>3,760</b>	<b>3,760</b>

13. 341 Adjust to physical  
Inventory J.E.#41

**2,439** **2,439**

	<u>CIAC</u>	<u>Company</u>	<u>Retired</u>	<u>Total</u>
Total Plant Accts.	<b>18,403</b>	<b>65,666</b>	<b>17,749</b>	<b>66,320</b>

14. 630

Plant Accounts

Penn      CM

Troy	38,605	2,053	1,408	42,066
Danney	<u>38,408</u>	<u>2,238</u>	<u>1,033</u>	<u>41,679</u>
	<b>77,013</b>	<b>4,291</b>	<b>2,441</b>	<b>83,745</b>

15. 670

Debbie	39,288	39,288
Jenessa	<u>1,603</u>	<u>1,603</u>
	<b>40,891</b>	<b>40,891</b>

16. 671

Jim	24,500	24,500
Karen	<u>73,778</u>	<u>73,778</u>
	<b>98,278</b>	<b>98,278</b>