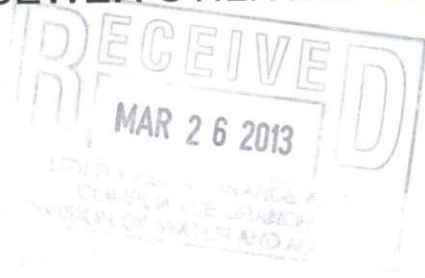


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Received _____
Examined _____

SEWER UTILITIES



U# SWR - 214

2012
ANNUAL REPORT
OF

LITTLE BEAR WATER COMPANY, INC.

SEWER DIVISION

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

51201 PINE CANYON ROAD #125, KING CITY, CA
(OFFICIAL MAILING ADDRESS)

93930
ZIP

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

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2013

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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, 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**

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 8, 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.

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

LITTLE BEAR WATER COMPANY, INC. SEWER DIVISION
(Name under which corporation, partnership or individual is doing business)

51201 PINE CANYON ROAD #125, KING CITY, CA 93930
(Official mailing address)

KING CITY, MONTEREY COUNTY
(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 (A) Date of organization _____ incorporated in the State of CALIFORNIA
 (B) Names, titles and addresses of principal officers: ALBIN MORISOLI, PRESIDENT
DIANE JOHNSON, VICE PRESIDENT
DAVID MORISOLI, SECRETARY
51201 PINE CANYON ROAD #125, KING CITY, CA 93930

- 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: RICHARD HIWA, GENERAL MANAGER (831) 385-3524
 (B) Person responsible for operations and services: RICHARD HIWA, GENERAL MANAGER (831) 385-3524

- 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	
X		DEC. 2011

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

RICHARD HIWA, GRADE 1, LICENSE No I-28141

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 2012:

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

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2012)

Line	Acct.	Assets	Balance
1	101	Water Plant In Service	\$1,034,940
2	101.1	SDWBA Plant	
3	103	Water Plant Held for Future Use	
4	104	Water Plant Purchased or Sold	
5	105	Water Plant Construction Work in Progress	
6	100.3	Construction Work in Progress (Prop 50)	\$6,044
7	108	Accumulated Depreciation of Water Plant	(\$518,313)
8	108.1	Accumulated Amortization of SDWBA Loan	
9	114	Water Plant Acquisition Adjustments	
10	121	Non-water Utility Property and Other Assets	
11	121.3	Cash - Miscellaneous Special Deposits (Prop 50)	
12	122	Accumulated Depreciation of Non-water Utility Property	
13	124	Other Investments	
14	131	Cash	
15	132	Special Deposits	
16	141	Accounts Receivable - Customers	\$28,292
17	142	Receivables from Associated Companies	
18	143	Accumulated Provision for Uncollectible Accounts	
19	151	Materials and Supplies	
20	174	Other Current Assets	\$3,628
21	180	Deferred Charges	\$7,042
22			
23			
24		Total Assets	\$561,633
Line	Acct.	Equity and Liabilities	Balance
25	201	Common Stock (for corporations only)	
26	204	Preferred Stock (for corporations only)	
27	211	Other Paid-in Capital (for corporations only)	
28	215	Retained earnings (for corporations only)	\$403,405
29	218	Excess Sewer Assets Over Liabilities	\$293,390
30	224	Long-Term Debt	
31	231	Accounts Payable	
32	232	Short-Term Notes Payable	
33	233	Customer Deposits	\$2,352
34	236	Taxes Accrued	
35	237	Interest Accrued	
36	241	Other Current Liabilities	
37	250	Reserve for Depreciation of Utility Plant (Prop 50)	
38	252	Advances for Construction	
39	253	Other Credits	(\$168,952)
40	255	Accumulated Deferred Investment Tax Credits	
41	266	Publicly Funded Grant Plant (Prop 50)	
42	271	Contributions in Aid of Construction	\$31,438
43	272	Accumulated Amortization of Contributions	
44	282	Accumulated Deferred Income Taxes - ACRS Depreciation	
45	283	Accumulated Deferred Income Taxes - Other	
46			
47			
48		Total Equity and Liabilities	\$561,633

SCHEDULE B - SEWER PLANT IN SERVICE (AS OF DECEMBER 31, 2012)

Line	Acct	Title of Account	Balance Beg of Year	Plant Additions During year	Plant Retirements During year	Other Debits or (Credits)	Balance End of year
1	301	Intangible Plant	\$0				\$0
2	303	Land	\$113,069				\$113,069
3	304	Structures	\$6,264				\$6,264
	304	Fencing	\$11,682				\$11,682
4	307	Wells	\$3,950				\$3,950
	308	Sierra Vista Sewer System	\$201,500				\$201,500
5	311	Pumping Equipment	\$63,306	\$9,042	(\$2,000)		\$70,348
6	317	Aereators	\$20,375	\$4,317			\$24,692
	320	Filter System-Sprayfield	\$980				\$980
7	320	Sewer Treatment Plant	\$3,962				\$3,962
8	330	Reservoirs, Tanks and Standpipes	\$17,738				\$17,738
9	331	Sewer Mains	\$345,334				\$345,334
	331	Sprayfield Piping	\$27,495				\$27,495
	331	Sprayfield Improvements	\$39,585				\$39,585
10	332	Sewer Manholes	\$7,854	\$621			\$8,475
	333	Sewer Laterals	\$7,726				\$7,726
11	334	Meters	\$0				\$0
12	339	Other Equipment	\$72,613	\$1,695			\$74,308
13	340	Office Furniture and Equipment	\$5,764				\$5,764
14	341	Transportation Equipment	\$72,068				\$72,068
15		Total Sewer Plant in Service	\$1,021,265	\$15,675	(\$2,000)		\$1,034,940

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT (AS OF DECEMBER 31, 2012)

Line	Item	Account 108 Water Plant	Water Plant Funded by Prop 50 (For information only)	
1	Balance in reserves at beginning of year	\$492,862		A. Method used to compute depreciation expense
2	Add: Credits to reserves during year			(Acct. 403) and rate. STRAIGHT LINE - 3%
3	(a) Charged to Account No. 272	\$21,406		
4	(b) Charged to Account No. 403	\$6,045		B. Amount of depreciation expense claimed or
5	(c) Charged to Account No. 407			to be claimed on utility property in your federal
6	(d) Salvage recovered			income tax return for the year covered by this
7	(e) All other credits			report \$
8	Total credits	\$27,451		
9	Deduct: Debits to reserves during year			C. State method used to compute tax depreciation.
10	(a) Book cost of property retired	(\$2,000)		
11	(b) Cost of removal			
12	(c) All other debits			
13	Total debits	(\$2,000)		
14	Balance in reserve at end of year	\$518,313		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2012)

Line	Description	Shareholder Name	Number of Shares	Par Value
1	Common Stocks	NONE		
2	Common Stocks			
3	Common Stocks			
4	Common Stocks			
5	Common Stocks			
6	Common Stocks			
7	Common Stocks			
8	Common Stocks			
9	Common Stocks			
10	Common Stocks			
11	Total - Common Stocks			
12	Preferred Stocks			
13	Preferred Stocks			
14	Preferred Stocks			
15	Preferred Stocks			
16	Preferred Stocks			
17	Total - Preferred Stocks			
18	Total annual dividends declared and/or paid to common stockholders			\$
19	Percentage of total annual dividend to common stockholders as a percentage of total net income (%)			
20	Total annual dividends declared and/or paid to preferred stock shareholders			\$
21	Percentage of total annual dividend to preferred stockholders as a percentage of total net income (%)			

SCHEDULE E - LONG-TERM DEBTS

Line	Class	Date of Issuance	Date of Maturity	Principle Amount Authorized	Interest Rate (%)	Accrued Interest for Current Year	Interest Paid for Current Year	Outstanding Balance as of 12/31/2012
1								
2								
3								
4								
5	NONE							
6								
7								
8								
9								
10								
11	Total							

Note: Please use duplicate page(s) to meet your company's needs if more lines are needed.

SCHEDULE F - INCOME STATEMENT

Line	Acct.	Description	Balance
1		Operating Revenues:	
2	460	Unmetered Water Revenue	
3	462	Fire Protection Revenue	
4	465	Irrigation Revenue	
5	470	Metered Water Revenue	
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue	\$351,746
8		Total Revenue Received	\$351,746
9		Less: Revenue Deductions	
10		SDWBA/SRF Surcharge Revenue	\$0
11		Total Operating Revenue	\$351,746
12		Operating Expenses:	
13	610	Purchased Water	
14	615	Power	\$32,422
15	618	Other Volume Related Expenses	\$0
16	630	Employee Labor	\$47,403
17	640	Materials	\$4,472
18	650	Contract Work	\$5,245
19	660	Transportation Expense	\$21,173
20	664	Other Plant Maintenance Expenses	\$5,930
21	670	Office Salaries	\$19,825
22	671	Management Salaries	\$35,500
23	674	Employee Pensions and Benefits	\$7,392
24	676	Uncollectible Accounts Expense	\$893
25	678	Office Services and Rentals	\$3,840
26	681	Office Supplies and Expense	\$9,097
27	682	Professional Services	\$8,683
28	684	Insurance	\$14,961
29	688	Regulatory Commission Expense	\$5,874
30	689	General Expense	\$7,939
31		Total Operating Expenses	\$230,649
32	403	Depreciation Expense	\$21,406
33	407	SDWBA/SRF Loan Amortization Expense	
34	408	Taxes Other Than Income Taxes	\$24,944
35	409	State Corporate Income Tax expense	\$6,629
36	410	Federal Corporate Income Tax Expense	\$17,263
37		Total Operating Revenue Deductions	\$300,891
38		Utility Operating Income	\$50,855
39	421	Non-utility Income	\$250
40	426	Miscellaneous Non-utility Expense	\$0
41	427	Interest Expense	\$12
42		Net Income	\$51,093

SCHEDULE G - 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	4	47,403		47,403
2	670	Office salaries	2	19,825		19,825
3	671	Management salaries	4	35,500		35,500
4		Total	10	102,728		102,728

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

SCHEDULE I - TOTAL METERS AND SERVICES (active and inactive)		
Size	Meters	Services
-in		
-in		
-in	N/A	
-in		
-in		
Total		

SCHEDULE J - METER-TESTING DATA	
Number of meters tested during year	
1	Used, before repair _____
2	Used, after repair _____
3	Fast, requiring refund _____

SCHEDULE K - SERVICE CONNECTIONS AT END OF YEAR								
Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences		393	393					393
Industrial								
Other (specify)								
Total		393	393					393

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE L - STORAGE FACILITIES			SCHEDULE M - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)							
Description	No.	Combined capacity in gallons	Description	2" and under	2 1/4 to 3 1/4	4"	6"	8"	10"	Total
Concrete			Cast Iron							
Earth			Welded steel							
Wood			Standard screw							
Steel			Cement-asbestos							
Other			Plastic							
			Other (specify)				1,382	198	804	2,384
Total			Total				1,382	198	804	2,384

DECLARATION

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

I, the undersigned RICHARD HIWA
Officer, Partner, or Owner (Please Print)

of LITTLE BEAR WATER COMPANY, INC. SEWER DIVISION
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.

GENERAL MANAGER

Title (Please Print)


Signature

(831) 385-3524

Telephone Number

3/21/2013

Date