

Received _____

Examined _____

CLASS D

WATER UTILITIES

U# 405-WTD

2016
ANNUAL REPORT
OF

SIERRA CITY WATER WORKS, INC.

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

732 BUTLER STREET, GRASS VALLEY, CALIFORNIA 95945

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2016

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2017

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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 MARCH 31, 2017, with:**

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: BRUCE DEBERRY
505 VAN NESS AVENUE, ROOM 3106
SAN FRANCISCO, CALIFORNIA 94102-3298
bmd@cpuc.ca.gov**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
5. The report must be filled in, and every question answered. LEAVE NO SCHEDULE BLANK. Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts flow to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2016, through December 31, 2016. Fiscal year reports will not be accepted.

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

SIERRA CITY WATER WORKS, INC.
(Name under which corporation, partnership or individual is doing business)

732 BUTLER STREET, GRASS VALLEY, CALIFORNIA 95945
(Official mailing address)

SIERRA CITY, SIERRA COUNTY
(Service Area - Town and County)

Telephone Number: 530-273-6447 **Fax Number:** 530-477-6253

Email Address: _____

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)
RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:
 (A) Date of organization 1/6/1998 0:00 incorporated in the State of CALIFORNIA
 (B) Names, titles and addresses of principal officers: DENNIS SMITH, PRESIDENT-BETH SMITH SECRETARY

2.00 If unincorporated provide the name and address of the owner(s) or the partners:

- 3 Name, title, and telephone number of:
 (A) One person listed above to receive correspondence: BETH SMITH 530-273-6447
 (B) Person responsible for operations and services: DENNIS SMITH

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		
X		Apr-96

11. List Name, Grade, and License Number of all Licensed Operators:
DENNIS SMITH CLASS 2

12. This annual report was prepared by:
 Name of firm or consultant: CONNIE STONE CPA
 Address of firm or consultant: 131 S AUBURN ST, GRASS VALLEY, CLAFORNIA 95945
 Phone Number of firm or consultant: 530-273-6638

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. 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.

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/Services (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/Services (by Account)	Regulated Asset Account Number

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking

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
5/8 X 3/4 inch		
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total		

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

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)
1.00		NON-DEPRECIABLE PLANT					
2.00	301.00	Intangible Plant					
3.00	303.00	Land					
4.00		Total non-depreciable plant					
5.00		DEPRECIABLE PLANT					
6.00	304.00	Structures					
7.00	307.00	Wells					
8.00	317.00	Other Water Source Plant					
9.00	311.00	Pumping Equipment					
10.00	320.00	Water Treatment Plant					
11.00	330.00	Reservoirs, Tanks and Standpipes					
12.00	331.00	Water Mains					
13.00	333.00	Services and Meter Installations					
14.00	334.00	Meters					
15.00	335.00	Hydrants					
16.00	339.00	Other Equipment					
17.00	340.00	Office Furniture and Equipment					
18.00	341.00	Transportation Equipment					
19.00		Total depreciable plant					
20.00		Total water plant in service					

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2016)			
Line	Acct.	Assets	Balance
1.00	101.00	Water Plant in Service (Excluding SDWBA/SRF)	\$271,605
2.00	101.10	Water Plant in Service - SDWBA/SRF	
3.00	101.2	Water Plant in Service - Prop 50	
4.00	103.00	Water Plant Held for Future Use	
5.00	104.00	Water Plant Purchased or Sold	
6.00	105.00	Water Plant Construction Work in Progress	
7.00	100.3	Construction Work in Progress (Prop 50)	
8.00	108.00	Accumulated Depreciation of Water Plant	(\$208,260)
9.00	108.1	Accumulated Amortization of SDWBA/SRF Loan	
10.00	114.00	Water Plant Acquisition Adjustments	
11.00	121.00	Non-water Utility Property and Other Assets	
12.00	121.3	Cash - Miscellaneous Special Deposits (Prop 50)	
13.00	122	Accumulated Depreciation of Non-water Utility Property	
14.00	124.00	Other Investments	
15.00	131.00	Cash	\$20,736
16.00	131.3	Cash - Miscellaneous Special Deposits (Prop 50)	
17.00	132	Special Deposits	
18.00	141.00	Accounts Receivable - Customers	
19.00	142.00	Receivables from Associated Companies	
20.00	143	Accumulated Provision for Uncollectible Accounts	
21.00	151.00	Materials and Supplies	\$4,000
22.00	174.00	Other Current Assets	
23.00	180.00	Deferred Charges	
24.00			
25.00			
26.00		Total Assets	\$88,081
Line	Acct.	Equity and Liabilities	Balance
27.00	201.00	Common Stock (for corporations only)	\$1,000
28.00	204	Preferred Stock (for corporations only)	
29.00	211.00	Other Paid-in Capital (for corporations only)	
30.00	215.00	Retained earnings (for corporations only)	\$27,104
31.00	218.00	Proprietary Capital (for proprietorships and partnerships only)	
32.00	224.00	Long-Term Debt	\$45,647
33.00	231	Accounts Payable	
34.00	232	Short-Term Notes Payable	
35.00	233	Customer Deposits	
36.00	236	Taxes Accrued	
37.00	237	Interest Accrued	
38.00	241.00	Other Current Liabilities	
39.00	250.00	Reserve for Depreciation of Utility Plant (Prop 50)	
40.00	252.00	Advances for Construction	\$14,330
41.00	253.00	Other Credits	
42.00	255.00	Accumulated Deferred Investment Tax Credits	
43.00	266.0	Contributions - Publicly Grant-Funded Plant (Prop 50)	
44.00	266.1	Accumulated Amortization of Contributions - Publicly Grant-Funded Plant (Prop 50)	
45.00	271.00	Contributions in Aid of Construction	
46.00	272.00	Accumulated Amortization of Contributions	
47.00	282.00	Accumulated Deferred Income Taxes - ACRS Depreciation	
48.00	283.00	Accumulated Deferred Income Taxes - Other	
49.00			
50.00			
51.00		Total Equity and Liabilities	\$88,081

SCHEDULE B - WATER PLANT IN SERVICE (AS OF DECEMBER 31, 2016)

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
1.00	####	Intangible Plant	\$0				\$0
2.00	####	Land	\$37,541				\$37,541
3.00	####	Structures	\$0				\$0
4.00	####	Wells	\$0				\$0
5.00	####	Pumping Equipment	\$0				\$0
6.00	####	Other Water Source Plant	\$29,319				\$29,319
7.00	####	Water Treatment Plant	\$0				\$0
8.00	####	Reservoirs, Tanks and Standpipes	\$58,092				\$58,092
9.00	####	Water Mains	\$47,918				\$47,918
10.00	####	Services and Meter Installations	\$0				\$0
11.00	####	Meters	\$8,507				\$8,507
12.00	####	Hydrants	\$20,357				\$20,357
13.00	####	Other Equipment	\$25,427	\$292			\$25,719
14.00	####	Office Furniture and Equipment	\$5,271	\$766			\$6,037
15.00	####	Transportation Equipment	\$38,115				\$38,115
16.00		Total water plant in service	\$270,547	\$1,058	\$0	\$0	\$271,605

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT (AS OF DECEMBER 31, 2016)

Line	Item	Account 108 Water Plant	Account 108.1 SDWBA/SRF Loans	Water Plant Funded by Prop 50 (For information only)	
1.00	Balance in reserves at beginning of year	\$199,032			A. Method used to compute
2.00	Add: Credits to reserves during year				depreciation expense
3.00	(a) Charged to Account No. 272				(Acct. 403) and rate.
4.00	(b) Charged to Account No. 403	\$9,228			
5.00	(c) Charged to Account No. 407				B. Amount of depreciation expense
6.00	(d) Salvage recovered				or to be claimed on utility property
7.00	(e) All other credits				in your federal income tax return
8.00	Total credits				for the year covered by this
9.00	Deduct: Debits to reserves during year				report \$
10.00	(a) Book cost of property retired				
11.00	(b) Cost of removal				C. State method used to compute
12.00	(c) All other debits				tax depreciation.
13.00	Total debits				
14.00	Balance in reserve at end of year	\$208,260			4% avg depreciation
15.00	(1) Explanation of all other credits				
16.00	(2) Explanation of all other debits				

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2016)

Line	Description	Shareholder Name	Number of Shares	Par Value
1	Common Stocks	WINBETH SMITH	100	1,000
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	Common Stocks			
12	Common Stocks			
13	Common Stocks			
14	Common Stocks			
15	Common Stocks			
16	Total - Common Stocks			1,000
17	Preferred Stocks			
18	Preferred Stocks			
19	Preferred Stocks			
20	Preferred Stocks			
21	Preferred Stocks			
22	Preferred Stocks			
23	Preferred Stocks			
24	Preferred Stocks			
25	Preferred Stocks			
26	Preferred Stocks			
27	Preferred Stocks			
28	Preferred Stocks			
29	Preferred Stocks			
30	Preferred Stocks			
31	Preferred Stocks			
32	Total - Preferred Stocks			
33	Total annual dividends declared and/or paid to common stockholders			\$
34	Percentage of total annual dividend to common stockholders as a percentage of total net income (%)			
35	Total annual dividends declared and/or paid to preferred stock shareholders			\$
36	Percentage of total annual dividend to preferred stockholders as a percentage of total net income (%)			

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

SCHEDULE E - LONG-TERM DEBTS

Line	Lender Name	CPUC Order No.	Class	Date of Issuance	Date of Maturity	Principal Amount Authorized	Interest Rate (%)	Accrued Interest for Current Year	Interest Paid for Current Year	Outstanding Balance as of 12/31/2016
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11	Total									

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

Share holder debt -										
- purchase Dodge Truck				35609		20507	0			0
- Fire District expansion				1993		140000	0			3,535
- Phase II Fire District				1999		40150	0			40,150
- Payroll-2014										1,036
- Payroll-2015										<u>936</u>
									Total	45,647

SCHEDULE F - INCOME STATEMENT			
Line	Acct.	Description	Balance
1.00		Operating Revenues:	
2.00	460.00	Unmetered Water Revenue	\$16,090
3.00	462.00	Fire Protection Revenue	\$1,775
4.00	465.00	Irrigation Revenue	\$0
5.00	470.00	Metered Water Revenue	\$34,770
6.00	475.00	Approved Total Surcharge Revenue(s)	\$0
7.00	480.00	Other water revenue	\$0
8.00		Total Revenue Received	\$52,635
9.00		Less: Revenue Deductions	
10.00		SDWBA/SRF Surcharge Revenue	\$0
11.00		Total Operating Revenue	\$52,635
12.00		Operating Expenses:	
13.00	610.00	Purchased Water	\$0
14.00	615.00	Power	\$0
15.00	618.00	Other Volume Related Expenses	\$782
16.00	630.00	Employee Labor	\$0
17.00	640.00	Materials	\$606
18.00	650.00	Contract Work	\$225
19.00	660.00	Transportation Expense	\$7,365
20.00	664.00	Other Plant Maintenance Expenses	\$400
21.00	670.00	Office Salaries	\$3,914
22.00	671.00	Management Salaries	\$6,318
23.00	674.00	Employee Pensions and Benefits	\$0
24.00	676.00	Uncollectible Accounts Expense	\$0
25.00	678.00	Office Services and Rentals	\$0
26.00	681.00	Office Supplies and Expense	\$1,141
27.00	682.00	Professional Services	\$3,188
28.00	684.00	Insurance	\$2,479
29.00	688.00	Regulatory Commission Expense	\$0
30.00	689.00	General Expense	\$1,019
31.00		Total Operating Expenses	\$27,437
32.00	403.00	Depreciation Expense	\$9,228
33.00	407.00	SDWBA/SRF Loan Amortization Expense	\$0
34.00	408.00	Taxes Other Than Income Taxes	\$1,777
35.00	409.00	State Corporate Income Tax Expense	\$800
36.00	410.00	Federal Corporate Income Tax Expense	\$0
37.00		Total Operating Revenue Deductions	\$2,577
38.00		Utility Operating Income	\$24,860
39.00	421.00	Non-utility Income	\$2
40.00	426.00	Miscellaneous Non-utility Expense	\$0
41.00	427.00	Interest Expense	\$0
42.00		Net Income	\$24,862

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
OTHER					
Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Purchased water (unit) Supplier:			Annual Quantity		

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS			
(If figures are available) (specify unit)			
Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential			
Commercial			
Industrial			
Fire Protection			
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
1	630	Employee Labor				
2	670	Office salaries	1	3,914.00		3,914.00
3	671	Management salaries	1	6,318.00		6,318.00
4		Total	2	10,232.00		10,232.00

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	

SCHEDULE K - TOTAL METERS AND SERVICES (Active and Inactive)		
Size	Meters	Services
5/8 x 3/4-in	74.00	
3/4-in		
1-in	2.00	
-in	1.00	
-in		
Total	77.00	

SCHEDULE L - METER-TESTING DATA	
Number of meters tested during year	
1.00 Used, before repair	
2.00 Used, after repair	
3.00 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	65.00	12.00	77.00				65.00	12.00
Industrial/Commercial	12.00	3.00	15.00				12.00	3.00
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total	77.00	15.00	92.00				77.00	15.00

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)					Totals
Description	No.	Combined capacity in gallons	Description	2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete			Cast Iron					
Earth			Welded steel					2,000
Wood			Standard screw					
Steel	1	30,000	Cement-asbestos					
Other	1	5,000	Plastic				8"	1,400
Stainless steel	1	1,000	Other (specify)				6"	4,500
Stainless steel	1	6,000						
Total		42,000	Total					7,900

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2016, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: _____
 Address: _____
 Account Number: _____
 Date Opened: _____

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

A. Commercial

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

B. Residential

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

3. Summary of the bank account activities showing:

	<u>AMOUNT</u>
Balance at beginning of year	14,769.00
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	3,497.00
Balance at end of year	11,272.00

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

DECLARATION

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

I, the undersigned _____ **WINBETH SMITH**
Officer, Partner, or Owner (Please Print)
of _____ **SIERRA CITY WATER WORKS, INC**
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books,

_____ **SECRETARY**
Title (Please Print)

_____ Signature

_____ **530-273-6447**
Telephone Number

_____ **MARCH 28, 2017**
Date