

Received _____
Examined _____

SEWER UTILITIES

U# _____

2017 ANNUAL REPORT OF

CYPRESS RIDGE SEWER CO.

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

P.O. BOX 745

GROVER BEACH, CA
(OFFICIAL MAILING ADDRESS)

93483
ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2017

REPORT MUST BE FILED NO LATER THAN MARCH 31, 2018



J. STEVEN PRESSLEY, CPA, CGMA
LEE ANN LISCOMBE, EA
LISA KIZANIS, EA

1108 East Grand Avenue | tel 805.481.2280
Mail to: P.O. Box 430 | fax 805.481.6283
Arroyo Grande, CA 93421

To Management
Cypress Ridge Sewer Co.
Arroyo Grande, California

Management is responsible for the accompanying financial statements of Cypress Ridge Sewer Co. (a S-corporation), listed in the table of contents as of and for the year ended December 31, 2017, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the California Public Utilities Commission, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Cypress Ridge Sewer Co. and California Public Utilities Commission, and is not intended to be and should not be used by anyone other than these specified parties.

We are not independent with respect to Cypress Ridge Sewer Co.

Infinity Accountancy Group LLP

March 25, 2018

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INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NO LATER THAN MARCH 31, 2018**, with:

CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: BRUCE DEBERRY
505 VAN NESS AVENUE, ROOM 3105
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 Declaration on Page 22 must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in accordance with the CPUC Excel annual report template. The Excel file and a PDF of the file is to be submitted to the Commission.
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. Complete the supplemental schedules **FIRST**. The balances in these schedules will then auto-fill the appropriate boxes in the balance sheet/income statement. Total and subtotal boxes are automatically summed in Excel. Auto-filled and summed boxes are Excel locked and identified by a light coloring of the box. Uncolored boxes can be manually filled. Complete the statements by filling in the uncolored boxes where appropriate.
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, 2017, through December 31, 2017. Fiscal year reports will not be accepted.

SEWER UTILITIES

CYPRESS RIDGE SEWER CO.

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

P.O. BOX 745, GROVER BEACH, CA 93483

(Official mailing address)

ARROYO GRANDE, CA - SAN LUIS OBISPO COUNTY

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 4/11/2008 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers: Charles M. Baker, President
P.O. Box 745, Grover Beach, CA 93448
- 2 If unincorporated give the name and address of owner or of each partner:
N/A
- 3 Name and telephone number of:
 - (A) One person listed above to receive correspondence: Charles M. Baker (805) 481-1854
 - (B) Person responsible for operations and services: Charles M. Baker (805) 481-1854
- 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) Yes
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? See attached
- 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: None

- 6 This annual report was prepared by:

Name of firm or consultant: Infinity Accountancy Group, LLP

Address of firm or consultant: P.O. Box 430
Arroyo Grande, Ca 93421

Phone Number of firm or consultant: (805) 481-2280

PUBLIC HEALTH STATUS

- 7 Has state or local health department inspection been made during the year?
- 8 Are routine laboratory tests of sewer being made?
- 9 Has state health department sewer supply permit been obtained? (Indicate date)
- 10 If no permit has been obtained, state whether application has been made and when.
- 11 Show expiration date if state permit is temporary.

Yes	No	Latest Date
X		Dec '17
X		Daily
N/A		
N/A		
N/A		

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

Seth Hutchinson Grade 2 License #-28592

Patrick Stebbins Grade 1 License #28920; Eric Sweeney Grade 3 License #34973

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 sewer utilities provision of non-tariffed services using excess capacity. These decisions require sewer 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 2017: N/A

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
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											

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

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)
1		UTILITY PLANT		
2	101	Sewer Plant in Service (Excluding SDWBA/SRF, Grant Funds)	A-1, A-1a	5,201,924
3	101.1	Sewer Plant in Service - SDWBA/SRF	A-1, A-1b	-
4	101.2	Sewer Plant in Service - Grant Funds	A-1, A-1c	-
5	101.3	Sewer Plant in Service - Other	A-1	-
6	103	Sewer Plant Held for Future Use	A-1	-
7	104	Sewer Plant Purchased or Sold	A-1	-
8	105	Construction Work in Progress - Sewer Plant	A-1	-
9	105.1	Construction Work in Progress - SDWBA/SRF	A-1	-
10	105.2	Construction Work in Progress - Grant Funds	A-1	-
11	105.3	Construction Work in Progress - Other	A-1	-
12	114	Sewer Plant Acquisition Adjustments	A-1	-
13		Total Utility Plant		\$ 5,201,924
14	108	Accumulated Depreciation of Sewer Plant	A-2	(2,278,035)
15	108.1	Accumulated Amortization of SDWBA/SRF loan	A-2	-
16	108.2	Accumulated Depreciation of Sewer Plant - Grant Funds	A-2	-
17	108.3	Accumulated Depreciation of Sewer Plant - Other	A-2	-
18		Total Accumulated Depreciation/Amortization		\$(2,278,035)
19		Net Utility Plant		\$ 2,923,889
20				
21		INVESTMENTS		
22	121	Non-utility Property and Other Assets		
23	122	Accumulated Depreciation of Non-Sewer Utility Property	A-2	
24		Net non-utility property		\$ -
25	123	Investments in Affiliated Companies		
26	124	Other Investments		
27		Total Investments		\$ -
28				
29		CURRENT AND ACCRUED ASSETS		
30	131	Cash		41,049
31	132	Cash - Special Deposits		
32	141	Accounts Receivable - Customers		(6,716)
33	142	Receivables from Affiliated Companies		
34	143	Accumulated Provision for Uncollectible Accounts		
35	151	Materials and Supplies		11,290
36	174	Other Current Assets		3,356
37		Total current and accrued assets		\$ 48,979
38				
39	180	Deferred Charges		
40	181	Accumulated Deferred Income Tax Assets		
41				
42		Total Assets and Other Debits		\$ 2,972,868

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

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)
1		CORPORATE CAPITAL AND RETAINED EARNINGS		
2	201	Common Stock	A-3	-
3	204	Preferred Stock	A-4	-
4	206	Subchapter S Corporation Accumulated Adjustments Account	A-6	-
5	211	Other Paid-in Capital	A-7	590,097
6	215	Retained Earnings	A-8	(405,769)
7		Total corporate capital and retained earnings		\$ 184,328
8				
9		PROPRIETARY CAPITAL		
10	218	Proprietary Capital	A-9	-
11				
12		LONG TERM DEBT		
13	224	Long-term Debt	A-10	-
14				
15		CURRENT AND ACCRUED LIABILITIES		
16	230	Payables to Affiliated Companies		
17	231	Accounts Payable		19,178
18	232	Short-term Notes Payable		
19	233	Customer Deposits		
20	236	Taxes Accrued		6,861
21	237	Interest Accrued		
22	241	Other Current Liabilities		18,043
23		Total current and accrued liabilities		\$ 44,082
24				
25		DEFERRED CREDITS		
26	252	Advances for Construction	F	-
27	253	Other Credits		122,905
28	255	Accumulated Deferred Investment Tax - Credits		
29	282	Accumulated Deferred Income Taxes - Accel. Tax Depreciation		
30	283	Accumulated Deferred Income Tax Liabilities		
31		Total deferred credits		\$ 122,905
32				
33		CONTRIBUTIONS IN AID OF CONSTRUCTION		
34	265	Contributions in Aid of Construction		4,814,500
35	272	Accumulated Amortization of Contributions (negative number)		(2,192,947)
36		Net Contributions in Aid of Construction		\$ 2,621,553
37		Total Liabilities and Other Credits		\$ 2,972,868

**SCHEDULE A-1
SEWER UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant (Retirements) During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Sewer Plant in Service (Sch A-1a)	5,151,924	50,000	-	-	\$ 5,201,924
2	101.1	Sewer Plant In Service - SDWBA/SRF (Sch A-1b)	-	-	-	-	\$ -
3	101.2	Sewer Plant In Service - Grant Funds (Sch A-1c)	-	-	-	-	\$ -
4	101.3	Sewer Plant In Service - Other	-	-	-	-	\$ -
5	103	Sewer Plant Held for Future Use	-	-	-	-	\$ -
6	104	Sewer Plant Purchased or Sold	-	-	-	-	\$ -
7	105	Construction Work in Progress - Sewer Plant	-	-	-	-	\$ -
8	105.1	Construction Work in Progress - SDWBA/SRF	-	-	-	-	\$ -
9	105.2	Construction Work in Progress - Grant Funds	-	-	-	-	\$ -
10	105.3	Construction Work in Progress - Other	-	-	-	-	\$ -
11	114	Sewer Plant Acquisition Adjustments	-	-	-	-	\$ -
12		Total utility plant	\$ 5,151,924	\$ 50,000	\$ -	\$ -	\$ 5,201,924

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

**SCHEDULE A-1a
Account 101 - Sewer Plant in Service (Excluding SDWBA/SRF, Grant Funds)**

Line No.	Acct No.	Title of Account (a)	Balance Beg 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	2,669				\$ 2,669
3	303	Land					\$ -
4		Total non-depreciable plant	\$ 2,669	\$ -	\$ -	\$ -	\$ 2,669
5							
6		DEPRECIABLE PLANT					
7	304	Structures	5,251	50,000			\$ 55,251
8	307	Wells					\$ -
9	311	Pumping Equipment	239,908				\$ 239,908
10	317	Other Sewer Source Plant					\$ -
11	320	Sewer Treatment Plant	3,200,000				\$ 3,200,000
12	330	Reservoirs, Tanks and Standpipes					\$ -
13	331	Sewer Mains	1,504,500				\$ 1,504,500
14	333	Services and Meter Installations					\$ -
15	334	Meters					\$ -
16	335	Hydrants					\$ -
17	339	Other Equipment	188,023				\$ 188,023
18	340	Office Furniture and Equipment	11,573				\$ 11,573
19	341	Transportation Equipment					\$ -
20		Total depreciable plant	\$ 5,149,255	\$ 50,000	\$ -	\$ -	\$ 5,199,255
21		Total sewer plant in service	\$ 5,151,924	\$ 50,000	\$ -	\$ -	\$ 5,201,924

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

SCHEDULE A-1b
Account 101.1 - Sewer Plant in Service - SDWBA/SRF

N/A

Line No.	Acct No.	Title of Account (a)	Balance Beg 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							
6		DEPRECIABLE PLANT					
7	304	Structures					\$ -
8	307	Wells					\$ -
9	311	Pumping Equipment					\$ -
10	317	Other Sewer Source Plant					\$ -
11	320	Sewer Treatment Plant					\$ -
12	330	Reservoirs, Tanks and Sandpipes					\$ -
13	331	Sewer Mains					\$ -
14	333	Services and Meter Installations					\$ -
15	334	Meters					\$ -
16	335	Hydrants					\$ -
17	339	Other Equipment					\$ -
18	340	Office Furniture and Equipment					\$ -
19	341	Transportation Equipment					\$ -
20		Total depreciable plant	\$ -	\$ -	\$ -	\$ -	\$ -
21		Total sewer plant in service	\$ -	\$ -	\$ -	\$ -	\$ -

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

SCHEDULE A-1c
Account 101.2 - Sewer Plant in Service - Grant Funds

N/A

Line No.	Acct No.	Title of Account (a)	Balance Beg 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							
6		DEPRECIABLE PLANT					
7	304	Structures					\$ -
8	307	Wells					\$ -
9	311	Pumping Equipment					\$ -
10	317	Other Sewer Source Plant					\$ -
11	320	Sewer Treatment Plant					\$ -
12	330	Reservoirs, Tanks and Sandpipes					\$ -
13	331	Sewer Mains					\$ -
14	333	Services and Meter Installations					\$ -
15	334	Meters					\$ -
16	335	Hydrants					\$ -
17	339	Other Equipment					\$ -
18	340	Office Furniture and Equipment					\$ -
19	341	Transportation Equipment					\$ -
20		Total depreciable plant	\$ -	\$ -	\$ -	\$ -	\$ -
21		Total sewer plant in service	\$ -	\$ -	\$ -	\$ -	\$ -

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

SCHEDULE A-2
Accounts 108, 108.1, 108.2, 108.3, 122 - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 108	Account 108.1	Account 108.2	Account 108.3	Account 122
		Accumulated Depreciation of Sewer Plant (b)	Accumulated Amortization of SDWBA/SRF (c)	Accumulated Depreciation of Sewer Plant - Grant Funds (d)	Accumulated Depreciation of Sewer Plant - Other (e)	Accumulated Depreciation of Non-Sewer Utility Property (f)
1	Balance in reserves at beginning of year	2,098,373				
2	Add: Credits to reserves during year					
3	(a) Charged to Account 272	166,930				
4	(b) Charged to Account 403	12,732				
5	(c) Charged to Account 407					
6	(d) Charged to Account 426					
7	(e) Charged to clearing accounts.					
8	(f) Salvage recovered					
9	(g) All other credits					
10	Total Credits	\$ 179,662	\$ -	\$ -	\$ -	\$ -
11	Less: Debits to reserves during year					
12	(a) Book cost of property retired					
13	(b) Cost of removal					
14	(c) All other debits					
15	Total debits	\$ -	\$ -	\$ -	\$ -	\$ -
16	Balance in reserve at end of year	\$ 2,278,035	\$ -	\$ -	\$ -	\$ -
17						
18	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE %					
19	S/L					
20	(2) EXPLANATION OF ALL OTHER CREDITS:					
21	N/A					
22						
23						
24						
25						
26	(3) EXPLANATION OF ALL OTHER DEBITS:					
27	N/A					
28						
29						
30						
31						
32	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION					
33	(a) Straight line					
34	(b) Liberalized					
35	(1) Sum of the years digits					
36	(2) Double declining balance					
37	(3) Other					
38	(c) Both straight line and liberalized X					

SCHEDULE A-3
Account 201 - Common Stock

Line No.	Class of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	Par Value of Stock Authorized by Articles of Incorporation (c)	Number of Shares Outstanding ¹ (d)	Balance End of Year (e)	Dividends Declared During Year	
						Rate (f)	Amount (g)
1	Charles M. Baker			1,000	\$		\$
2					\$		\$
3					\$		\$
4					\$		\$
5					\$		\$
6				Total	\$		\$

¹ After deduction for amount of reacquired stock held by or for the respondent.

SCHEDULE A-4
Account 204 - Preferred Stock

Line No.	Class of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	Par Value of Stock Authorized by Articles of Incorporation (c)	Number of Shares Outstanding ¹ (d)	Balance End of Year (e)	Dividends Declared During Year	
						Rate (f)	Amount (g)
1	N/A						
2							
3							
4							
5							
6				Total	\$		\$

¹ After deduction for amount of reacquired stock held by or for the respondent.

SCHEDULE A-5
Record of Stockholders at End of Year

Line No.	COMMON STOCK		PREFERRED STOCK	
	Name (a)	Number Shares (b)	Name (c)	Number Shares (d)
1	Charles M. Baker	1,000		
2				
3				
4				
5				
6				
7				
8				
9	Total number of shares		1,000	Total number of shares

SCHEDULE A-6 Account 206 - Subchapter S Corporation Accumulated Adjustments Account		
Line No.	Description of Items (a)	Amount (b)
1	Balance beginning of year	(48,338)
2	Credit:	
3	Net Income	72
4	Accounting Adjustments	
5	Total Credits	\$ 72
6	Debit:	
7	Net Loss	(17,316)
8	Accounting Adjustments	(288)
9	Dividends	
10	Total Debits	\$ (17,604)
11	Balance end of year	\$ (65,870)

SCHEDULE A-7 Account 211 - Other Paid in Capital (Corporations only)		
Line No.	Description of Items (a)	Balance End of Year (b)
1	Paid in capital	590,097
2		
3		
4		
5	Total	\$ 590,097

SCHEDULE A-8 Account 215 - Retained Earnings (Corporations Only)		
Line No.	Item (a)	Amount (b)
1	Balance beginning of year	(252,005)
2	Add: Credits	
3	Net income	35,998
4	Prior period adjustments	
5	Other credits (detail)	
6	Total Credits	\$ 35,998
7		
8	Less: Debits	
9	Net losses	
10	Prior period adjustments	(3,459)
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail): W-5106 Sur-Credit	(186,303)
14	Total Debits	(189,762)
15	Balance end of year	\$ (405,769)

SCHEDULE A-9
Account 218 - Proprietary Capital
(Sole Proprietor or Partnership)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	Add: Credits	
3	Net income	
4	Additional investments during year	
5	Other credits (detail)	
6	Total Credits	\$ -
7	Less: Debits	
8	Net losses	
9	218.1 Proprietary Drawings	
10	Other debits (detail):	
11		
12		
13	Total Debits	\$ -
14	Balance end of year	\$ -

SCHEDULE A-10
Account 224 - Long-Term Debt

Line No.	Lender, CPUC Order No. (a)	Date of Issue (b)	Date of Maturity (c)	Balance End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest Paid During Year (g)
1	N/A						
2							
3							
4							
5							
6							
7							
8			Total	\$ -		\$ -	\$ -

**SCHEDULE B
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
1		UTILITY OPERATING INCOME		
2	400	Operating Revenues	B-1	514,335
3				
4		OPERATING REVENUE DEDUCTIONS		
5	401	Operating Expenses	B-2	450,057
6	403	Depreciation Expense	A-2	12,732
7	407	SDWBA/SRF Loan Amortization Expense	A-2	-
8	408	Taxes Other Than Income Taxes	B-3	15,570
9	409	State Corporate Income Tax Expense	B-3	49
10	410	Federal Corporate Income Tax Expense	B-3	-
11		Total operating revenue deductions		\$ 478,408
12		Total utility operating income		\$ 35,927
13				
14		OTHER INCOME AND DEDUCTIONS		
15	421	Non-Utility Income	B-4	71
16	426	Miscellaneous Non-Utility Expense	B-4	-
17	427	Interest Expense (excluding SDWBA)	B-5	-
18	427	Interest Expense (SDWBA)	B-5	-
19		Total other income and deductions		\$ 71
20		Net income		\$ 35,998

SCHEDULE B-1
Account 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)
1		SEWER SERVICE REVENUES	
2	460	Unmetered sewer revenue	
3		460.1 Residential, Single-family, Multiple Dwelling Units	509,668
4		460.2 Commercial and Miscellaneous	4,667
5		460.3 Large Sewer Users	
6		460.4 Safe Drinking Water Bond/SRF Surcharge	
7		460.5 Other Unmetered Revenue	
8		Subtotal	\$ 514,335
9			
10	462	Fire protection and hydrant revenue	
11		462.1 Public Fire Protection	
12		462.2 Private Fire Protection	
13		Subtotal	\$ -
14			
15	465	Irrigation revenue	
16			
17	470	Metered sewer revenue	
18		470.1 Residential, Single-family, Multiple Dwelling Units	
19		470.2 Commercial and Multi-residential Master Metered	
20		470.3 Large Sewer Users	
21		470.4 Safe Drinking Water Bond Surcharge	
22		470.5 Other Metered Revenues	
23		Subtotal	\$ -
24		Total sewer service revenues	\$ 514,335
25			
26	480	Other sewer revenue	
27		Total Operating Revenues	\$ 514,335

SCHEDULE B-2
Account 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)
1		PLANT OPERATION AND MAINTENANCE EXPENSES	
2		VOLUME RELATED EXPENSES	
3	610	Purchased Sewer	
4	615	Power	30,952
5	618	Other Volume Related Expenses	9,194
6		Total volume related expenses	\$ 40,146
7			
8		NON-VOLUME RELATED EXPENSES	
9	630	Employee Labor	178,982
10	640	Materials	20,132
11	650	Contract Work	41,821
12	660	Transportation Expense	2,493
13	664	Other Plant Maintenance Expenses	2,420
14		Total non-volume related expenses	\$ 245,848
15		Total plant operation and maintenance exp.	\$ 285,994
16			
17		ADMINISTRATIVE AND GENERAL EXPENSES	
18	670	Office Salaries	-
19	671	Management Salaries	-
20	674	Employee Pensions and Benefits	14,972
21	676	Uncollectible Accounts Expense	909
22	678	Office Services and Rentals	8,714
23	681	Office Supplies and Expenses	2,180
24	682	Professional Services	95,012
25	684	Insurance	19,067
26	688	Regulatory Compliance Expense	6,379
27	689	General Expenses	16,830
28		Total administrative and general expenses	\$ 164,063
29	800	Expenses Capitalized - Credit (Optional)	
30	900	Clearing Accounts (Optional)	
31		Net administrative and general expense	\$ 164,063
32		Total Operating Expenses	\$ 450,057

SCHEDULE B-3
Accounts 408, 409, 410 - Taxes Charged During the Year

Line No.	Type of Tax (a)	Distribution of Taxes Charged		Total Taxes Charged During Year (d)
		Sewer (b)	Nonutility (c)	
1	408 Taxes other than income taxes:			
2	408.1 Property taxes			\$ -
3	408.2 Payroll taxes	14,886		\$ 14,886
4	408.3 Other taxes and licenses	684		\$ 684
5	Total taxes other than income taxes	\$ 15,570	\$ -	\$ 15,570
6				
7	409 State corporate income tax	49		\$ 49
8	410 Federal corporate income tax			\$ -
9	Total income taxes	\$ 49	\$ -	\$ 49
10				
11	Total	\$ 15,619	\$ -	\$ 15,619

SCHEDULE B-4
Accounts 421, 426 - Income and Expense from Non-Utility Operations

Line No.	Description (a)	Non-Utility Income Acct. 421 (b)	Miscellaneous Non-Utility Expense Acct. 426 (c)
1	Interest income	71	
2			
3			
4			
5		\$ 71	\$ -

SCHEDULE B-5
Account 427 - Interest Expense

N/A

Line No.	Description (a)	Amount (b)
1	Interest on SDWBA loan	
2	Interest on other (give details below):	
3		
4		
5		
6		
7		
8		
9		
10		\$ -

SCHEDULE C - SOURCES OF SUPPLY AND SEWER DEVELOPED WELLS

Location	No.	Diam. Inch	Depth to Sewer Feet	Pumping Capacity (g.p.m.)	Annual Quantities Pumped
N/A					
OTHER					
Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Purchased sewer (unit)				Annual Quantity	
Supplier:					

SCHEDULE D - SEWER DELIVERED TO METERED CUSTOMERS
(If figures are available) (specify unit)

N/A Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential			
Commercial			
Industrial			
Fire Protection			
Irrigation			
Other (specify)			
Total			

SCHEDULE E - 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	178,982		\$ 178,982
2	670	Office salaries				\$ -
3	671	Management salaries				\$ -
4		Total	4	\$ 178,982	\$ -	\$ 178,982

SCHEDULE F - ADVANCES FOR CONSTRUCTION	
Balance beginning of year	N/A
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 G - TOTAL METERS AND SERVICES (Active and Inactive)		
Size	Meters	Services
5/8 x 3/4-in		
3/4-in		
1-in		
-in		
-in		
-in		
Total	N/A	

SCHEDULE H - METER TESTING DATA	
Number of meters tested during year	N/A
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 I - SERVICE CONNECTIONS AT END OF YEAR								
Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences		382	382					382
Industrial/Commercial		4	4					4
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total		386	386					386

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

SCHEDULE J - STORAGE FACILITIES			SCHEDULE K - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)					
Description	No.	Combined capacity in gallons	Description	2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	Totals
				Concrete	3	66,000	Cast Iron	
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
Other			Plastic				28,000	28,000
			Other (specify)					
Total	3	66,000	Total				28,000	28,000

SCHEDULE L
FOR ALL SEWER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA

N/A

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund (SRF) 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
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	\$ _____
Add: Surcharge collections	_____
Interest earned	_____
Other deposits	_____
Less: Loan payments	_____
Bank charges	_____
Other withdrawals	_____
Balance at end of year	\$ _____

4. Reason for other deposits/withdrawals

**SCHEDULE M
FACILITY FEES DATA**

N/A

Please provide the following information relating to Facility Fees collected for the calendar year 2017, 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

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

	AMOUNT
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:

DECLARATION

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

I, the undersigned _____ Charles M. Baker
Officer, Partner, or Owner (Please Print)

of _____ Cypress Ridge Sewer Co.
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, 2017, through December 31, 2017.

President
Title (Please Print)

Charles M Baker

Signature

(805) 481-1854
Telephone Number

3-29-18
Date

Attachment to 2017 Annual Report of Cypress Ridge Sewer Operations

General information - Page 4, Question 4

Contracts or agreements in effect during the year:

Name	Nature of payments	Amount	Account charged
Abalone Coast Analytical Inc.	Testing & analysis	20,889	650
Alvina Business Services	Bookkeeping services	6,903	682
Clay's Septic & Jetting Inc.	Wastewater disposal	1,460	650
Emily Clark Bookkeeping	Bookkeeping services	1,911	682
Engel & Gray Inc.	Wastewater disposal	7,859	650
Frank B. & Associates	CPUC consulting	28,487	682
Golden State Water	Billing services	4,713	682
Guzman Law Offices	Legal services	47,280	682
Infinity Accountancy Group LLP	Accounting services	10,258	682
R. Baker, Inc.	Contract work	2,162	650
San Luis Powerhouse, Inc.	Testing & analysis	5,153	650
Xylem Water Solutions USA Inc.	Contract work	3,338	650

Schedule A - Balance Sheet Detail

Schedule A, Assets and Other Debits, Line 32, Account 141 - Accounts receivable:

2009/2010 Surcharge approved 2/2013	\$ 119,749
Surcharge collected in 2013 through 2015	(107,818)
Interest accrued through 12/31/15	230
Surcharge collected in 2016	(10,235)
Balance 12/31/17	<u>1,926</u>
2011/2012 Surcharge approved 12/2013	58,007
Surcharge collected in 2014 through 2015	(59,047)
Interest accrued through 12/31/15	73
Surcharge collected in 2016	(7,675)
Balance 12/31/17	<u>(8,642)</u>
Total accounts receivable	<u>\$ (6,716)</u>

Schedule A, Liabilities and other credits, Line 27, Account 253 - Other credits:

W-5106 Sur-Credit	\$ 184,772
Sur-Credit billed in 2017	\$ (63,398)
Interest accrued through 12/31/17	1,531
Balance 12/31/17	<u>\$ 122,905</u>

Schedule B-2 - Operating Expenses

The company maintains a memorandum account for professional fees. The balance in the memorandum account as of 12/31/17 is \$150,152.

12/31/17

2017 BOOK DEPRECIATION SCHEDULE

PAGE 1

CLIENT 1002509

CYPRESS RIDGE SEWER CO

26-2469706

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REQUIC	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.	
FORM 1120S																	
AMORTIZATION																	
1	ORGANIZATION EXPENSE	5/01/08		2,669							2,669					0	
	TOTAL AMORTIZATION			2,669		0	0	0	0	0	2,669	0				0	
BUILDINGS																	
31	SHADE STRUCTURE	2/16/16		5,251							5,251	146	S/L	30		175	
	TOTAL BUILDINGS			5,251		0	0	0	0	0	5,251	146				175	
MACHINERY AND EQUIPMENT																	
7	LAB EQUIPMENT	8/24/09		2,299							2,299	690	S/L	HY	25	.04000	92
8	PUMPING EQUIPMENT	3/31/09		18,582							18,582	5,573	S/L	HY	25	.04000	743
9	PUMPING EQUIPMENT	12/31/09		7,256							7,256	2,175	S/L	HY	25	.04000	290
10	EQUIP-PROCESS EQUIP	VARIOUS		1,413							1,413	344	S/L	33			43
11	OTHER EQUIPMENT	VARIOUS		36,302							36,302	8,800	S/L	33			1,100
12	PUMPING EQUIPMENT	VARIOUS		145,207							145,207	35,200	S/L	33			4,400
13	STATIC MIXER	6/30/10		2,986							2,986	585	S/L	33			90
14	PRESSURE WASHER	8/02/10		498							498	96	S/L	33			15
15	SAFETY HARNESS	8/03/10		135							135	26	S/L	33			4
16	TRIPOD W/WINCH	9/10/10		2,154							2,154	412	S/L	33			65
17	3 WAY ACTUATOR	10/15/10		1,517							1,517	287	S/L	33			46
18	RETURNED PUMP	5/20/10		1							1	160					0
20	PUMPING EQUIPMENT REMAININ	6/30/09		9,424							9,424	2,828	S/L	HY	25	.04000	377
21	SCREW PRESS	10/26/11		84,562							84,562	13,237	S/L	33			2,562

12/31/17

2017 BOOK DEPRECIATION SCHEDULE

PAGE 2

CLIENT 1002509

CYPRESS RIDGE SEWER CO

26-2469706

NO	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT.	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
22	PROBE ANALYZER	3/15/12		629							629	92	S/L	33		19
23	A1000 5# SENSOR	4/10/12		903							903	129	S/L	33		27
24	TROUGHING ROLLER CONVEYOR	7/30/12		9,885							9,885	1,325	S/L	33		300
25	SEEPEX CAVITY PUMP	9/23/12		9,338							9,338	1,203	S/L	33		283
26	SYNCH MOTOR	10/22/12		769							769	96	S/L	33		23
27	PUMPING EQUIPMENT	7/24/13		40,102							40,102	5,480	S/L	25		1,604
28	WASTEWATER MICROSCOPE	9/18/15		3,971							3,971	199	S/L	25		159
29	COMPUTER	8/26/15		1,573							1,573	420	S/L	5		315
30	RETIRED EQUIPMENT	1/01/15		1							1	-7,147				0
TOTAL MACHINERY AND EQUIPME				379,507		0	0	0	0	0	379,507	72,210				12,557
MISCELLANEOUS																
2	PUMPING EQUIPMENT	5/01/08		10,000							10,000	4,242	S/L	33		303
3	TREATMENT PLANT	5/01/08		3,200,000							3,200,000	1,357,578	S/L	33		96,970
4	MAINS	5/01/08		1,500,000							1,500,000	636,367	S/L	33		45,455
5	EMERGENCY GENERAL	5/01/08		40,000							40,000	16,969	S/L	33		1,212
6	OFFICE COMPUTER & EQUIPME	5/01/08		10,000							10,000	10,000	S/L	5		0
19	CIAC-CYPRESS RIDGE LP	9/03/10		4,500							4,500	861	S/L	33		136
32	CIAC-CRS STRUCTURE	10/26/17		50,000							50,000	22,601	S/L	33		253
TOTAL MISCELLANEOUS				4,814,500		0	0	0	0	0	4,814,500	2,048,618				144,329
TOTAL DEPRECIATION				5,199,258		0	0	0	0	0	5,199,258	2,120,974				157,061
GRAND TOTAL AMORTIZATION				2,669		0	0	0	0	0	2,669	0				0

12/31/17

2017 BOOK DEPRECIATION SCHEDULE

PAGE 3

CLIENT 1002509

CYPRESS RIDGE SEWER CO

26-2469706

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT.	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	GRAND TOTAL DEPRECIATION			<u>5,199,258</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,199,258</u>	<u>2,120,974</u>				<u>157,061</u>