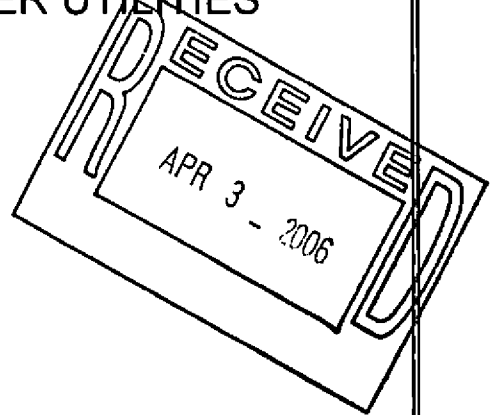


74

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____



2005
ANNUAL REPORT
OF

Arroyo Center Water Company, Inc.

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

47475 Arroyo Seco Road

Greenfield, CA 93927

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2005

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2006
(FILE TWO COPIES IF THREE RECEIVED)

Account Number	Operating Revenue	
470	Metered	
460	Unmetered	26729
465	Irrigation	42185
462-480	Private Fire Protection	
	Total Revenue	68914
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	2034
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	15700
640	Materials	
650	Contract Work	
	Water Testing	
660	Transportation Expense	
664	Other Plant Maintenance	3739
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	830
676	Uncollectables	
678	Office Service and Rentals	9059
681	Office Supplies and Expense	1238
682	Professional Services	4250
684	Insurance	6853
688	Regulatory Expense	2234
689	General Expense	68
	Subtotal	46005
403	Depreciation Expense	
	Ad Valorem Taxes	
	Payroll taxes	1466
408	Taxes other than income	149
409	State Income Tax	5902
410	Federal Income Tax	5256
	Total Deductions	58778
	Interest Income & Misc	136
	Net Revenue	10272
	Rate Base	

	Average Plant	23384
	Average Depreciation Reserve	23384
	Net Plant	0
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	127354
	Plus: Working Cash	-1657
	Plus: Material & Supplies	
	Rate Base	125697
	ROR=Net Rev/Rate Base	0.08

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Arroyo Center Water Company, Inc.

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

47475 Arroyo Seco Road, Greenfield, CA 93927

(Official mailing address)

Arroyo Seco Resort, Monterey County

(Service area-town and county)

GENERAL INFORMATION

**RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES**

- 1 If a corporation show:
 - (A) Date of organization June 9, 1961 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers: **See Attached**

- 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: **Colette Titgen (831) 674-3167**
 - (B) Person responsible for operations and services: **Jeff Jenkinson (831) 674-1517**

- 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 Next Page**

- 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		Jan 2005
X		Mar 2006
X		Jun 2005
N/A		
X		Jun 2006

SPECIAL INSTRUCTIONS (over)

Answer to Question 4.

\$1,335 was paid to Operators on Duty to perform the duties of a licensed operator.

Amount charged to account # 664 - Other Plant Maintenance

Name: Robert Vanegas

Grade D1

License # 19085

Arroyo Center Water Company, Inc.Class D - Water Utility

Supplemental Information

LINE 1B - Names, titles and addresses of principal officers:

Name: Colette Titgen
Title: President
Address: 47530 Arroyo Seco Road
Greenfield, CA 93927

Name: Kathy Radley
Title: Treasurer
Address: 1180 Theresa Street
Seaside, CA 93955

Name: Bob Land
Title: Vice -President
Address: 723 Montecito Way
Salinas, CA 93901

Name: Brooke Atherton
Title: Secretary
Address: 7448 Skyway
Paradise, CA 95969

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2005

NAME OF UTILITY Arroyo Center Water Company, Inc.

PHONE (831) 674-0416

PERSON RESPONSIBLE FOR THIS REPORT Brent Green, CPA

(Prepared from Information in the 2005 Annual Report)

	1/1/2005	12/31/2005	Average
BALANCE SHEET DATA			
1 Intangible Plant			
2 Land and Land Rights	300	300	300
3 Depreciable Plant	23384	23384	23384
4 Gross Plant in Service	23684	23684	23684
5 Less: Accumulated Depreciation	23384	23384	23384
6 Net Water Plant in Service	300	300	300
7 Water Plant Held for Future Use			
8 Construction Work in Progress	14130	127354	70892
9 Materials and Supplies			
10 Less: Advances for Construction	()	()	()
11 Less: Contribution in Aid of Construction	()	()	()
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	14430	127654	71192
CAPITALIZATION			
14 Common Stock	10000	10000	10000
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings	53574	67863	60719
18 Common Stock and Equity (Lines 14 through 17)	63574	77863	70719
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable	39945	54658	47301
22 Total Capitalization (Lines 18 through 21)	103519	132521	118020

(Revised 2/01)

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

2005

(continued)

NAME OF UTILITY Arroyo Center Water Company, Inc. PHONE (831) 674-0416

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	26729
24	Fire Protection Revenue	<u> </u>
25	Irrigation Revenue	<u> </u>
26	Metered Water Revenue	<u> </u>
27	Total Operating Revenue	26729
28	<u>Operating Expenses</u>	47471
29	Depreciation Expense (Composite Rate _____)	<u> 0</u>
30	Amortization and Property Losses	<u> </u>
31	Property Taxes	149
32	Taxes Other Than Income Taxes	<u> </u>
33	Total Operating Revenue Deduction Before Taxes	47620
34	California Corp. Franchise Tax	5902
35	Federal Corporate Income Tax	5256
36	Total Operating Revenue Deduction After Taxes	58778
37	Net Operating Income (Loss) - California Water Operations	-32049
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	42321
39	Income Available for Fixed Charges	10272
40	Interest Expense	<u> </u>
41	Net Income (Loss) Before Dividends	10272
42	Preferred Stock Dividends	<u> </u>
43	Net Income (Loss) Available for Common Stock	10272

OTHER DATA		
44	Refunds of Advances for Construction	
45	Total Payroll Charged to Operating Expenses	15700
46	Purchased Water	
47	Power	2034

<u>Active Service Connections</u>		(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections		62	62	62
49	Flat Rate Service Connections				
50	Total Active Service Connections		62	62	62

**CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent:

Not Applicable

Name: _____

Address: _____

Phone Number: _____

Date Hired: _____

2. Former Fiscal Agent:

Name: _____

Address: _____

Phone Number: _____

Date Hired: _____

3. Total surcharge collected from customers during the 12 month reporting period:

\$ _____

4. Summary of the trust bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

5. Account information:

Bank Name: _____

Account Number: _____

Date Opened: _____

6. Plant amounts included in Schedule A, Account No. 101--Water Plant in Service which were funded using SDWBA funds: **Not Applicable**

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2005)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	23684	201	Common Stock (Corporations only)	10000
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	67863
4	105	Water plant construction work in progress	127354	218	Proprietary capital	
5	108	Accumulated depreciation of water plant	23384	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	54658
7	124	Other investments		252	Advances for construction	
8	131	Cash	3754	253	Other deferred credits	
9	141	Accounts receivable - customers	1113	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets		283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		Total Assets	132521		Total Equity and Liabilities	132521

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					
17	303	Land	300				300
18	304	Structures					
19	307	Wells	9822				9822
20	317	Other water source plant	12841				12841
21	311	Pumping equipment					
22	320	Water treatment plant (CIP)	14130	113224			127354
23	330	Reservoirs tanks and sandpipes					
24	331	Water mains					
25	333	Services and meter installations					
26	334	Meters	721				721
27	335	Hydrants					
28	339	Other equipment					
29	340	Office furniture and equipment					
30	341	Transportation equipment					
31		Total water plant in service	37814	113224			151038

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year	23384		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403			
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	0		covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits	0		
45	Balance in reserve at end of year	23384		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2005)

1	Common - (Shares , \$ par)			List persons owning more than 5% of outstanding stock
2	Preferred - (Shares , \$ par)			and number of shares owned by each:
3	Dividends - Common Rate - \$			
4	- Preferred Rate - \$			

SCHEDULE E - LONG TERM DEBT

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5								
6								
7								
8	Totals				None			

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxxx
10	460 Unmetered water revenue	26729
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	
14	480 Other water revenue - Assessments	42235
15	Total Operating Revenue	68964
16	Operating revenue deductions	xxxxxxxxxxx
17	Operating expenses	xxxxxxxxxxx
18	610 Purchased water	
19	615 Power	2034
20	618 Other volume related expenses	
21	630 Employee labor	15700
22	640 Materials	
23	650 Contract work	
24	660 Transportation expenses	
25	664 Other plant maintenance expense	3739
26	670 Office salaries	
27	671 Management salaries	
28	674 Employee pensions and benefits	830
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	9059
31	681 Office supplies and expense	1238
32	682 Professional services	4250
33	684 Insurance	6853
34	688 Regulatory commission expense	2234
35	689 General expenses	68
36	Total Operating Expenses	46005
37	403 Depreciation expense	
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	1615
40	409 State corporate income tax expense	5902
41	410 Federal corporate income tax expense	5256
42	Total Operating Revenue Deductions	58778
43	Utility Operating Income	10186
44	421 Non-utility income	86
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	10272

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
Arroyo Seco River Bed	1	8	29	30	
Arroyo Seco River Bed	2	8	29	20	

OTHER

Streams or springs location of diversion point	Flow In (Unit)		Priority right Divisions		Annual quantities diverted (Unit)
	Claim	Capacity	Max	Min	
Purchased water (unit) Supplier:	None				Annual quantity

SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS
(If figures are available) (specify unit)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business			
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			Not Available

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION

Line	Acct	Account	Number at end of year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
48	630	Employee Labor		15700		15700
49	670	Office salaries				
50	671	Management salaries				
51		Total		15700		15700

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	14130
Additions during year	113224
Subtotal - Beginning balance plus additions during year	127354
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	127354

SCHEDULE K - TOTAL METERS AND SERVICES (active and inactive)

Size	Meters	Services
5/8 x 3/4-in	None	
3/4-in		
1-in		
-in		
-in		
Total		

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair...	None
2	Used, after repair	
3	Fast, requiring refund ..	
Numbers of meters in service requiring test per General Order No. 103		

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences		62	62					62
Industrial								
Other (specify)								
Subtotal		62	62					62
Fire protection (Hydrants)								
Total		62	62					62

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

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)


Description	No.	Combined capacity in gallons	Description	Pipe Sizes				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete	1	19200	Cast Iron					
Earth			Welded steel					
Wood			Standard screw	5000				5000
Steel			Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total	1	19200	Total	5000				5000

DECLARATION

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

I, the undersigned (officer, partner or owner) of Arroyo Center Water Company, Inc. under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period

From and including January 1, 2005, to and including December 31, 2005.


 Signed _____
 Title PRESIDENT
 Date 8 MAR 06