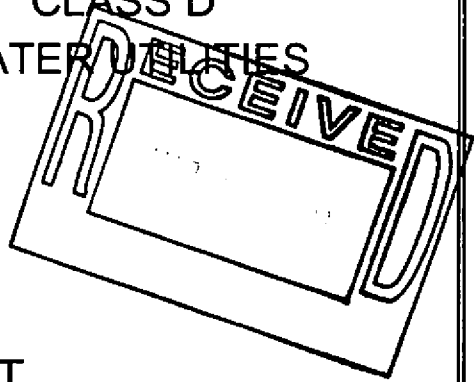


74

Received _____
Examined _____

CLASS D
WATER UTILITIES



U# _____

2005
ANNUAL REPORT
OF

FOOTHILL DITCH COMPANY

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

P.O. BOX 175, EXETER, CA 93221

(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)

INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed NOT LATER THAN MARCH 31, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTENTION: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

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 the last page, must be signed by an 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.
9. This report must cover a calander year, from January 1 through December 31. Fiscal year reports will not be accepted.

Account Number	Operating Revenue	
470	Metered	
460	Unmetered	
465	Irrigation	106 633
462-480	Private Fire Protection	
	Total Revenue	106 633
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	
640	Materials	6 749
650	Contract Work	33 930
	Water Testing	
660	Transportation Expense	1 679
664	Other Plant Maintenance	
670	Office Salaries	2 400
671	Management Salaries	3 600
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	
681	Office Supplies and Expense	130
682	Professional Services	1 560
684	Insurance	9 056
688	Regulatory Expense	
689	General Expense	7 490
	Subtotal	
403	Depreciation Expense	43
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	296
409	State Income Tax	3 571
410	Federal Income Tax	11 212
	Total Deductions	81 716
	Net Revenue	24 917
	Rate Base	13 775

	Average Plant	118 927
	Average Depreciation Reserve	105 152
	Net Plant	13 775
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	Rate Base	13 775
	ROR=Net Rev/Rate Base	1.8

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

FOOTHILL DITCH COMPANY

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

P.O. BOX 175 EXETER, CA 93221

(Official mailing address)

EXETER - TULARE COUNTY

(Service area-town and county)

GENERAL INFORMATION

**RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES**

- 1 If a corporation show:
 - (A) Date of organization APRIL 25, 1914 incorporated in the State of CALIFORNIA
 - (B) Names, titles and addresses of principal officers: PATRICIA P. JACOBSEN, PRESIDENT
RICHARD C. JACOBSEN, SECTY/TREASURER
- 2 If unincorporated give the name and address of owner or of each partner: 20700 AVENUE 314 (P.O. BOX 175)
EXETER, CA 93221
- 3 Name and telephone number of:
 - (A) One person listed above to receive correspondence: PATRICIA P. JACOBSEN (559) 592-2104
 - (B) Person responsible for operations and services: MARK PASCOE (559) 592-2104
- 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? ROCKY HILL INCORPORATED
(SEE REVERSE SIDE)
- 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	
	X	
	X	

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year. Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
20_05

NAME OF UTILITY FOOTHILL DITCH COMPANY

PHONE (559) 592-2104

PERSON RESPONSIBLE FOR THIS REPORT SEE ATTACHED ACCOUNTING REPORT
(Prepared from Information in the 20__ Annual Report)

BALANCE SHEET DATA		<u>1/1/ 05</u>	<u>12/31/ 05</u>	Average
1	Intangible Plant	<u>10 000</u>	<u>10 000</u>	<u>10 000</u>
2	Land and Land Rights	<u>3 754</u>	<u>3 754</u>	<u>3 754</u>
3	Depreciable Plant	<u>105 173</u>	<u>105 173</u>	<u>105 173</u>
4	Gross Plant in Service	<u>118 927</u>	<u>118 927</u>	<u>118 927</u>
5	Less: Accumulated Depreciation	<u>105 131</u>	<u>105 173</u>	<u>105 152</u>
6	Net Water Plant in Service	<u>13 796</u>	<u>13 754</u>	<u>13 775</u>
7	Water Plant Held for Future Use			
8	Construction Work in Progress			
9	Materials and Supplies			
10	Less: Advances for Construction	<u>()</u>	<u>()</u>	<u>()</u>
11	Less: Contribution in Aid of Construction	<u>()</u>	<u>()</u>	<u>()</u>
12	Less: Accumulated Deferred Income and Investment Tax Credits	<u>()</u>	<u>()</u>	<u>()</u>
13	Net Plant Investment	<u>13 796</u>	<u>13 754</u>	<u>13 775</u>
CAPITALIZATION				
14	Common Stock	<u>10 000</u>	<u>10 000</u>	<u>10 000</u>
15	Proprietary Capital (Individual or Partnership)			
16	Paid-in Capital			
17	Retained Earnings	<u>131 810</u>	<u>156 612</u>	<u>144 211</u>
18	Common Stock and Equity (Lines 14 through 17)	<u>141 810</u>	<u>✓ 166 612</u>	<u>154 211</u>
19	Preferred Stock			
20	Long-Term Debt			
21	Notes Payable			
22	Total Capitalization (Lines 18 through 21)	<u>141 810</u>	<u>166 612</u>	<u>154 221</u>

(Revised 2/01)

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

20_05
(continued)

NAME OF UTILITY FOOTHILL DITCH COMPANY PHONE (559) 592-2104

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	
24 Fire Protection Revenue	
25 Irrigation Revenue	<u>106 633</u>
26 Metered Water Revenue	
27 Total Operating Revenue	<u>106 633</u>
28 <u>Operating Expenses</u>	<u>66 594</u>
29 Depreciation Expense (Composite Rate _____)	<u>43</u>
30 Amortization and Property Losses	
31 Property Taxes	<u>296</u>
32 Taxes Other Than Income Taxes	
33 Total Operating Revenue Deduction Before Taxes	<u>39 700</u>
34 California Corp. Franchise Tax	<u>3 571</u>
35 Federal Corporate Income Tax	<u>11 212</u>
36 Total Operating Revenue Deduction After Taxes	<u>24 917</u>
37 Net Operating Income (Loss) - California Water Operations	<u>24 917</u>
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>695</u>
39 Income Available for Fixed Charges	<u>25 612</u>
40 Interest Expense	
41 Net Income (Loss) Before Dividends	<u>25 612</u>
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	<u>25 612</u>

OTHER DATA

44 Refunds of Advances for Construction	
45 Total Payroll Charged to Operating Expenses	<u>6 000</u>
46 Purchased Water	
47 Power	

	Active Service Connections	(Exc. Fire Protect.)	Annual		
			Jan. 1	Dec. 31	Average
48 Metered Service Connections	28		28	28	28
49 Flat Rate Service Connections					
50 Total Active Service Connections	28		28	28	28

**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:

Name: N/A
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:

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	10 000				10 000
3	303	Land	3 754				3 754
4		Total non-depreciable plant	13 754				13 754
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	98 844				98 844
13	333	Services and meter installations					
14	334	Meters	2 310				2 310
15	335	Hydrants					
16	339	Other equipment	4 019				4 109
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant	105 173				105 173
20		Total water plant in service	118 927				118 927

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2005)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	118 927	201	Common Stock (Corporations only)	10 000
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	156 612
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	105 173	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	23 148
7	124	Other investments	5 749	252	Advances for construction	
8	131	Cash	153 479	253	Other deferred credits	
9	141	Accounts receivable - customers	16 778	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	189 760		Total Equity and Liabilities	189 760

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	10 000				10 000
17	303	Land	3 754				3 754
18	304	Structures					
19	307	Wells					
20	317	Other water source plant					
21	311	Pumping equipment					
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes					
24	331	Water mains	98 844				98 844
25	333	Services and meter installations					
26	334	Meters	2 310				2 310
27	335	Hydrants					
28	339	Other equipment	4 019				4 019
29	340	Office furniture and equipment					
30	341	Transportation equipment					
31		Total water plant in service	118 927				118 927

* 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	105 131		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	42		STRAIGHT LINE 2 to 8%
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			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			
45	Balance in reserve at end of year	105 173		STRAIGHT LINE
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

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		
3/4-in		
1-in		
-in		
-in		
Total		

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
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 M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences								
Industrial								
Other (specify) IRRIGATION	18		18	10		10	28	
FROST WATER								
Subtotal	18		18	10		10	28	
Fire protection (Hydrants)								
Total	18		18	10		10	28	

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			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total			Total					

DECLARATION

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

I, the undersigned (officer, partner or owner) of Toothill Ditch 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

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

Signed William Eugene Johnson
 Title President
 Date 2-24-06