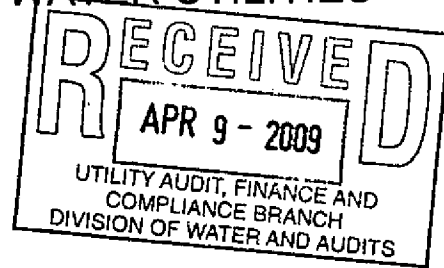


Received \_\_\_\_\_  
Examined \_\_\_\_\_

CLASS D  
WATER UTILITIES



U# W-148

“ “ 2006  
AMENDED ANNUAL REPORT  
OF

Lake Alpine Water Company, Inc.

Lake Alpine Water Company

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

PO Box 5013 Bear Valley, CA 95223

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2006

# CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Lake Alpine Water Company

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

PO Box 5013, Bear Valley, CA 95223

(Official mailing address)

Bear Valley, Alpine County

(Service area-town and county)

Telephone Number: 209-753-2409 Fax Number: 209-753-2345 Email Address: info@lakealpinewater.com

## GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

- 1 If a corporation show:
  - (A) Date of organization 6/30/1964 incorporated in the State of California
  - (B) Names, titles and addresses of principal officers: C. Bruce Orvis, President and Roma Orvis, Sec-Treas., 9601 Hwy 4, Farmington, CA 95230 Charles Toeniskoetter, VP, 1690 The Alameda, San Jose, CA 95126
- 2 If unincorporated provide the name and address of the owner(s) or the partners:
- 3 Name, title, and telephone number of:
  - Main Office Contact: Kimi Johnson 209-753-2409
  - (A) One person listed above to receive correspondence: Roma Orvis 209-899-2460
  - (B) Person responsible for operations and services: Bruce Orvis III 209-753-6241
- 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 sheet
- 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

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

Yes	No	Latest Date
<input type="checkbox"/>	<input checked="" type="checkbox"/>	10/28/2003
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2/23/2007
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1971
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	

<u>C. Bruce Orvis III, Grade T-2, License No. 13442, Grade D-2, License No. 22114</u>	
<u>John A. McMillen, Grade T-2, License No. 27532, Grade D-2, License No. 32581</u>	

Lake Alpine Water Company  
Annual Report of 2006

General Information

Line 4: Names of Organizations or Persons having contracts or agreements with respondent:

Lemke Engineering Services  
Account 1050, Construction Work In Progress, Engineering Services \$17,382.00

TBI Construction and Construction Management  
Account 1050, Construction Work In Progress, Construction Management \$5,575.00

Western Water Constructors  
Account 1050, Construction in Progress, Contractor, Treatment Plant \$463,948

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 obligations require water utilities to 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 200 :

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Expenses incurred to provide Non-Tariffed Good/Service (by Account)	Expense Account Number	Advice Letter Number and/or Resolution approving Non-Tariffed Good/Service (by Account)	Total Income Tax Liability Incurred because of non-Tariffed Good/Service (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account)	Regulated Asset Account Number

NA

**CLASS A, B, C AND D 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 Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: \_\_\_\_\_ California Bank and Trust  
 Address: \_\_\_\_\_ 1331 Broadway, Sacramento, CA 95818  
 Phone Number: \_\_ 800-499-4614  
 Account Number: \_\_\_\_\_  
 Date Hired: \_\_\_\_\_ 1/19/2005

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

\$	180,458.13	Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer	Total
		3/4 inch	8	29.13	2796.48
		1 inch	4	48.55	2330.4
		1 1/2 inch	1	97.11	1165.32
		2 inch	4	155.37	7457.76
		3 inch	0	0	0
		4 inch	1	485.54	5826.48
		6 inch	0	0	0
		Number of Flat Rate Customers			
			410-414	29.13	138249
			31-27	64.7	24088.4
		<b>Total</b>	<b>18</b>		<b>181894</b>

3. Summary of the bank account activities showing:

Balance at beginning of year	\$0.00
Deposits during the year	\$167,569.00
Interest earned for calendar year	\$748.16
Withdrawals from this account	\$44,837.00
Balance at end of year	\$123,678.00

**CLASS A, B, C AND D WATER COMPANIES**

**SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (cont.)**

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF 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		<b>NON-DEPRECIABLE PLANT</b>					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		<b>DEPRECIABLE PLANT</b>					
6	304	Structures	0	1356184			1356184
7	307	Wells					0
8	317	Other water source plant					0
9	311	Pumping equipment					0
10	320	Water treatment plant	0	688870			688870
11	330	Reservoirs, tanks and sandpipes					0
12	331	Water mains					0
13	333	Services and meter installations					0
14	334	Meters					0
15	335	Hydrants					0
16	339	Other equipment					0
17	340	Office furniture and equipment					0
18	341	Transportation equipment					0
19		Total depreciable plant					0
20		Total water plant in service	0	2045054	0	0	2045054

**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2006)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	\$ 1,549,765	201	Common Stock (Corporations only)	\$ 100,000
		Water plant held for future use	\$ 2,045,054			
2	103	Water plant purchased or sold		211	Other paid-in capital (Corporations only)	\$ 156,467
3	104	Water plant construction work in progress	\$ 175,506	215	Retained earnings	\$ 443,892
4	105	Accumulated depreciation of water plant	\$ (547,423)	218	Proprietary capital	
5	108	Accumulated depreciation of water plant-SDW	\$ (99,308)	224	Long term debt	\$ 334,525
					SDWB-remaining principal	\$ 1,988,161
6	114	Water plant acquisition adjustments			Current Liabilities	\$ 44,357
7	124	Other investments		252	Advances for construction	\$ -
8	131	Cash	\$ 6,831	253	Other deferred credits	\$ 271,940
		SDWBA-Oakdale	\$ 51,550			
		SDWBA-Surcharges CA Bank&Trust	\$ 123,878			
9	141	Accounts receivable - customers	\$ 4,194	255	Accumulated deferred investment tax credits	
		SDWBA-surcharges	\$ 1,438			
10	142	Receivables from associated companies	\$ 37,873	282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	\$ 7,377		depreciation	
12	174	Other current assets	\$ 560	283	Accumulated deferred income taxes - other	\$ -
13	180	Deferred charges	\$ 307,013	271	Contributions in aid of construction	\$ 418,697
14				272	Accumulated amortization of contributions	\$ (89,933)
15		<b>Total Assets</b>	<b>\$3,664,106</b>		<b>Total Equity and Liabilities</b>	<b>\$ 3,664,106</b>

**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					\$ 28,433
17	303	Land	\$ 28,433				\$ 28,433
18	304	Structures	\$ 127,622				\$ 127,622
		Structures-SDWBA		\$ 1,356,184			\$ 1,356,184
19	307	Wells	\$ -				\$ -
20	317	Other water source plant	\$ 13,850				\$ 13,850
21	311	Pumping equipment	\$ 47,278	\$ 1,095			\$ 48,373
22	320	Water treatment plant	\$ 236,440				\$ 236,440
		Water treatment plant-SDWBA		\$ 688,870			\$ 688,870
23	330	Reservoirs tanks and sandpipes	\$ 506,663	\$ 718			\$ 507,381
24	331	Water mains	\$ 262,434				\$ 262,434
25	333	Services and meter installations	\$ 21,264				\$ 21,264
26	334	Meters	\$ 15,916				\$ 15,916
27	335	Hydrants	\$ 195,891				\$ 195,891
28	339	Other equipment	\$ 48,360				\$ 48,360
29	340	Office furniture and equipment	\$ 8,258	\$ 857			\$ 9,115
30	341	Transportation equipment	\$ 34,686				\$ 34,686
31		<b>Total water plant in service *</b>	<b>\$ 1,547,095</b>	<b>\$ 2,670</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,549,765</b>

\* Totals do not include SDWBA financed plant

**SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT**

Line	Item	Account 108 Water Plant	Account 108.1 SDWBA Loans	
32	Balance in reserves at beginning of year	\$ 498,435	\$ -	A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 272	\$ 7,644	\$ -	Ave of B31's less land x 2.72%
35	(b) Charged to Account No. 403	\$ 41,344		
36	(c) Charged to Account No. 407		\$ 99,308	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	\$ 48,988	\$ 99,308	covered by this report \$ 44638.
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	\$ 547,423	\$ 99,308	
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2006)**

Line					
1	Common - (Shares 10,000	\$10.00	par)	100000	List persons owning more than 5% of outstanding stock
2	Preferred - (Shares	\$	par)		and number of shares owned by each: TBH Partners 5000
3	Dividends - Common	Rate - \$2.00		20000	CB Orvis 520 RP Orvis 520
4	- Preferred	Rate - \$			CB Orvis III 2180 PD Orvis 1780

**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	Car loan	8/25/2002	8/25/2007	\$ 11,460	\$ 1,797	8.19%	0	\$ 249
7	Business Line of Credit	9/10/2005	12/31/2006	\$ 350,000	\$ 332,728	8.50		\$ 24,354
8	Totals			\$ 361,460	\$ 334,525			\$ 24,603

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	xxxxxxxxxxx
10	460 Unmetered water revenue	\$340,771
	460.1 SDWSRF Surcharge	\$180,458
11	462 Fire protection revenue	\$2,470
12	465 Irrigation revenue	\$0
13	470 Metered water revenue	\$23,161
14	480 Other water revenue	\$4,389
15	Total Operating Revenue	\$370,791
16	Operating revenue deductions	xxxxxxxxxxx
17	Operating expenses	xxxxxxxxxxx
18	610 Purchased water	\$0
19	615 Purchased power	\$26,513
20	618 Other volume related expenses	\$10,574
21	630 Employee labor	\$14,244
22	640 Materials	\$2,584
23	650 Contract work	\$12,770
24	660 Transportation expenses	\$10,554
25	664 Other plant maintenance expense	\$3,949
26	670 Office salaries	\$31,682
27	671 Management salaries	\$56,724
28	674 Employee pensions and benefits	\$26,679
29	676 Uncollectible accounts expense	\$316
30	678 Office services and rentals	\$3,600
31	681 Office supplies and expense	\$7,899
32	682 Professional services	\$14,095
33	684 Insurance	\$14,718
34	688 Regulatory commission expense	\$162
35	689 General expenses	\$7,012
36	Total Operating Expenses	\$244,075
37	403 Depreciation expense	\$48,988
38	407 SDWBA loan amortization expense	\$99,308
39	408 Taxes other than income taxes	\$37,082
40	409 State income tax expense	\$2,028
41	410 Federal income tax expense	\$3,137
42	Total Operating Revenue Deductions	\$91,235
43	Utility Operating Income	\$35,481
44	421 Non-utility income	\$768
	421.1 Non-utility income-Interest SDWBA	\$746
45	428 Miscellaneous non-utility expense	\$0
46	427 Interest expense	\$24,628
	427.1 Interest expense-SDWBA	\$57,445
47	Net Income *	-\$45,078

\* Net Income does not include accts 407



**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
	NA				

**OTHER**

Streams or springs location of diversion point	Flow in Priority right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Bloods Creek Tributary		.075 CFS			5-8 MG
Purchased water (unit)			Annual Quantity		
Supplier:	NA				

**SCHEDULE H 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			
Commercial			
Industrial			
Fire Protection			
Irrigation			
Other (specify)			
Total	NA		

**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	16	\$ 14,244	\$ 30,389	\$ 44,633
49	670	Office salaries	1	\$ 31,682	\$ -	\$ 31,682
50	671	Management salaries	1	\$ 56,724	\$ 16,980	\$ 73,704
51		Total	18	\$ 102,650	\$ 47,369	\$ 150,019

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year	0
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	0

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

Size	Meters	Services
5/8 x 3/4-in		
3/4-in	8	455
1-in	4	
1.5-in	1	
2-in	4	1
3-in		1
4-in	1	3
Hydrants		46
Total	18	506

**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		453	453		2	2	0	455
Industrial/Commercial	13		13			0	13	0
Irrigation			0			0	0	0
Fire Protection (public)		46	46			0	0	46
Fire Protection (private)		5	5			0	0	5
Other (specify)-County	5		5			0	5	0
Total	18	504	522	0	2	2	18	506

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	2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)				Totals
							6	8	12		
Concrete			Cast Iron								
Earth			Welded steel								
Wood	4	340000	Standard screw								
Steel	1	300000	Cement-asbestos	10345	2100	22100	14222	280		4105	53152
Other			Plastic	280	6302	7577	2395	400		500	17454
			Other (specify)								
Total	5	640000	Total	10625	8402	29677	14222	680	0	4605	70606

**DECLARATION**

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

I, the undersigned (officer, partner or owner) of Lake Alpine Water 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, documents, 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 calendar year.

January 1, 2006 through December 31, 2006.

  
 Signed \_\_\_\_\_  
 Title President  
 Date 4.2.09  
 Date \_\_\_\_\_

## FACILITIES FEES DATA

Please provide the following information relating to Facilities Fees collected for the calendar year, 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. Commerical**

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

**B. Residential**

NAME	AMOUNT
Watts Lt GOV3B	\$ 2,000.00
Alkema Lt 352	\$ 2,000.00
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ 8,000
Deposits during the year	\$ 4,000
Interest earned for calendar year	\$ -
Withdrawals from this account	\$ -
Balance at end of year	\$ 12,000

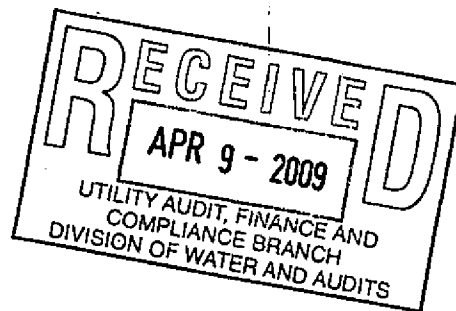
4. Reason or Purpose of Withdrawal from this bank account:

\_\_\_\_\_  
 \_\_\_\_\_

Lake Alpine Water Company

Notes to Amendments to Annual Report for 2006

SDWBA 2



J4

These were not properly recorded previously. Copied to Schedule B but not included in water plant in service totals. Copied to Schedule A.

#### **Schedule A-Balance Sheet**

In addition to copied changes from SDWBA2 and Schedules B and C. Acct 105: water plant construction work in progress is decreased by \$271940. This is money spent by the company on securing additional water rights that will benefit future users. It should not be included in CWIP. It is now recorded by an increase in Acct 180: Deferred Charges and Acct 253: Other Deferred Credits. These expenses will eventually be recovered from the Facilities Fees and at the time will be recorded as Contributions in Aid of Construction. Acct 224 is increased and current liabilities are decreased by \$332728 to record business line of credit as Long Term Debt. Acct 282 is deleted. It was already recorded in Acct 180. Acct 211 there is an error in transcription. Was reported as \$156467, should be \$156480.

#### **Schedule B-Water Plant in Service Acct 304**

In addition to copied changes from SDWBA2, corrections from 2005 lead to corrections in 2006. Therefore, Total water plant in service is \$1549764. Copied to Acct 101 in Schedule A.

#### **Schedule C-Reserve for Depreciation of Utility Plant**

First recording of Acct 108.1 for amortization of SDWBA loan. Copied to Acct 108.1 in Schedule A and F.

#### **Schedule C-Reserve for Depreciation of Utility Plant**

New value charged to acct 403 is the average of \$1547095 and \$1549764 less the land and multiplied by the 2.72% depreciation rate. Copied to Acct 106 in Schedule A.

#### **Schedule E-Long Term Debt: Acct 224**

The balance in the business line of credit is being reclassified as Long Term Debt.

#### **Schedule F-Income Statement: Accts 480.**

480: Other water revenue is decreased by \$4000. These are facilities fees. They are listed on the final page: Facilities Fees Data.

#### **Schedule F-Income Statement: Acct 403.**

Amendments to Schedule A-C inherently make changes to Depreciation expenses in Schedule F.

#### **Schedule F-Income Statement: SDWBA related accts.**

Revenues 460.1 of SDWBA surcharges recorded but not included in total or net income. Recording SDWBA loan amortization in acct 407, interest income from SDWBA surcharges and interest expense on SDWBA loan.

#### **Facilities Fees**

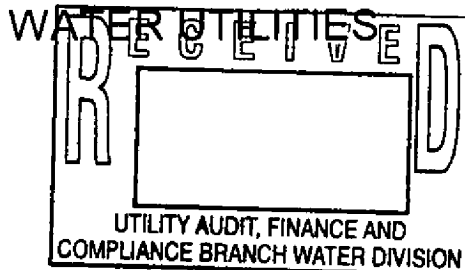
These were not properly recorded previously.

See Amended 1/2 2006 Report dated 4/9/2009

A4

Received \_\_\_\_\_  
Examined \_\_\_\_\_

CLASS D



U# W-148

~~2006~~  
ANNUAL REPORT  
OF

LAKE ALPINE WATER COMPANY, INC.

LAKE ALPINE WATER COMPANY

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

9601 E. Highway 4, Farmington, CA 95230

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2006

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007

(FILE TWO COPIES IF THREE RECEIVED)

C

# CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

LAKE ALPINE WATER COMPANY, INC.

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

9601 E. HIGHWAY 5, FARMINGTON CA 95230

(Official mailing address)

BEAR VALLEY STANISLAUS COUNTY

(Service area-town and county)

## GENERAL INFORMATION

RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES

- 1 If a corporation show:
  - (A) Date of organization 6/30/1964 incorporated in the State of California
  - (B) Names, titles and addresses of principal officers: C. Bruce Orvis, Pres., 9601 E Highway 4, Farmington, CA 95230 / Roma P Orvis, Sec-Treas., 9601 E Highway 4, Farmington CA 95230 Charles F Toeniskoetter, Vice-Pres., 1690 The Alameda, San Jose, CA 95126
- 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: Roma P Orvis, 209-899-2460
  - (B) Person responsible for operations and services: C Bruce Orvis, III, 209-753-6241, 209-795-2580
- 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 sheet
- 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

### 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
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>10/28/2003</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>2/23/2007</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>1971</u>
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	

**SPECIAL INSTRUCTIONS (over)**

Lake Alpine Water Company  
Annual Report of 2006

General Information

Line 4: Names of Organizations or Persons having contracts or agreements with respondent:

Lemke Engineering Services Account 1050, Construction Work In Progress, Engineering Services	\$17,382.00
TBI Construction and Construction Management Account 1050, Construction Work In Progress, Construction Management	\$5,575.00
Western Water Constructors Account 1050, Construction in Progress, Contractor, Treatment Plant	\$463,948





**CLASS B, C, AND D WATER COMPANIES  
SAFE DRINKING WATER STATE REVOLVING FUND  
Year 2006**

Please complete the following information relating to each Safe Drinking Water State Revolving Fund (SDWSRF) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1 Current Fiscal Agent:

Name California Bank & Trust  
 Address 1331 Broadway, Sacramento, CA 95818  
 Phone No. 800-499-4614  
 Date Hired Jan. 19, 2005

2 Total Surcharge collection from customers during the 12 month reporting period:

\$180,458.13

3 Summary of the trust bank account activities showing:

Balance at beginning of year	<u>\$0.00</u>
Deposits during year	<u>\$167,568.80</u>
Interest earned on deposits	<u>\$746.16</u>
Withdrawals made for loan payments	<u>\$0.00</u>
Other withdrawals from this account:	
Interest on loan	<u>\$44,547.28</u>
Bank fees	<u>\$90.00</u>
Balance at end of year	<u>\$123,677.68</u>

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

4. Plant amounts which were funded using SDWBA funds should also be included in Schedule A, Account No. 101--Water Plant in Service

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					

Plant amounts which were funded by SDWSRF funds are still in Construction in Progress. They are not included in Schedule A as are being repaid by the customers by way of a surcharge. They will never become part of our rate base.

**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2006)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	1580591	201	Common Stock (Corporations only)	100000
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	156467
3	104	Water plant purchased or sold		215	Retained earnings	465988
4	105	Water plant construction work in progress	447446	218	Proprietary Capital	
5	106	Accumulated depreciation of water plant	-511929	224	Long term debt	1797
6	114	Water plant acquisition adjustments			Current liabilities	377120
7	124	Other investments		252	Advances for construction	
8	131	Cash	6831	253	Other deferred credits	0
9	141	Accounts receivable - customers	4194	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies	37873	282	Accum. deferred income taxes - Acrs	-24717
11	151	Materials and supplies	7377		depreciation	
12	174	Other current assets	560	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	10355	271	Contributions in aid of construction	416710
7				272	Accumulated amortization of contributions	89933
15		<b>Total Assets</b>	<b>1583298</b>		<b>Total Equity and Liabilities</b>	<b>1583298</b>

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct.	Title of Account	Balance Beg of year	Plt. Additions During year	Plt. Retirement During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					0
17	303	Land	28433				28433
18	304	Structures	158449	0		-1	158448
19	307	Wells	0				0
20	317	Other water source plant	13850	0	0		13850
21	311	Pumping equipment	47278	1095			48373
22	320	Water treatment plant	236440	0			236440
23	330	Reservoirs, tanks and standpipes	506663	718			507381
24	331	Water mains	262434	0			262434
25	333	Services and meter installations	21264	0	0		21264
26	334	Meters	15916	0			15916
27	335	Hydrants	195891	0	0		195891
28	339	Other equipment	48360	0	0		48360
29	340	Office furniture and equipment	8258	857	0		9115
30	341	Transportation equipment	34686	0	0		34686
31		<b>Total water plant in service</b>	<b>1577922</b>	<b>2670</b>	<b>0</b>	<b>-1</b>	<b>1580591</b>

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

\* Prior year correction.

**C17 SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT**

Line	Item	Acct 108 Water Plant	Acct 108.1 SDWBA Loans
32	Balances in reserves at beginning of year	462103	
33	Add: Credits to reserves during year		A. Method used to compute depreciation expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	42182	2.72 Composite
35	(b) Charged to Account No. 272	7644	
36	(c) Charged to clearing accounts	0	B. Amount of depreciation expense
37	(d) Salvage recovered	0	claimed or to be claimed on utility
38	(e) All other credits (1)		property in your federal income tax
39	Total Credits	49826	return for the year covered by this
40	Deduct: Debits to reserve at end of year		report. \$44,638
41	(a) Book cost of property retired	0	
42	(b) Cost of removal		
43	(c) All other debits (2)		C. State method used to compute tax
44	Total Debits	0	depreciation.
45	Balance in reserve at end of year	511929	5 - 30 Year Life
46	(1) Explanation of all other credits		
47	(2) Explanation of all other debits:		

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2006)**

Line					
1	Common - (Shares 10,000	\$10.00	Par)	100000	List persons owning more than 5% of outstanding stock
2	Preferred - (Shares	\$			and number of shares owned by each: TBH Partners 5000
3	Dividends - Common Rate	\$2.00		20000	C.B.Orvis 520 / R.P.Orvis 520
4	--- Preferred Rate	\$			C.B.Orvis III 2180 / P.D.Orvis 1780

**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		8/25/2002	8/25/2007	11460	1797	8.19%	0	249
7								
8		Totals		11460	1797		0	249

**SCHEDULE F - INCOME STATEMENT**

6	Acct	<b>Operating Revenues</b>	xxxxxxxx
10	460	Unmetered water revenue	340771
11	462	Fire protection Revenue	2470
12	465	Irrigation revenue	0
13	470	Metered water revenue	23161
14	480	Other water revenue	8389
15		<b>Total operating revenues</b>	<b>374791</b>
16		<b>Operating Revenue Deductions</b>	xxxxxxxx
17		<b>Operating Expenses</b>	xxxxxxxx
18	610	Purchased water	0
19	615	Power	26513
20	618	Other volume related expenses	10574
21	630	Employee Labor	14244
22	640	Materials	2584
23	650	Contract work	12770
24	660	Transportation Expense	10554
25	664	Other plant maintenance expense	3949
26	670	Office Salaries	31682
27	671	Management salaries	56724
28	674	Employee pensions and benefits	26679
29	676	Uncollectible accounts expense	316
30	678	Office services and rentals	3600
31	681	Office supplies and expenses	7899
32	682	Professional services	14095
33	684	Insurance	14718
34	688	Regulatory commission expense	162
35	689	General expenses	7012
36		<b>Total Operating Expenses</b>	<b>244075</b>
37	403	Depreciation expense	44638
38	407	SDWBA loan amortization expense	0
39	408	Taxes other than income taxes	37082
40	409	State corporate income tax expense	2028
41	410	Federal corporate income tax expense	3137
42		<b>Total Operating Revenue Deductions</b>	<b>86885</b>
43		Utility Operating Revenue	43831
44	421	Non-utility income	768
45	426	Miscellaneous non-utility expense	0
46	427	Interest expense	24628
47		<b>Net Income</b>	<b>19971</b>

**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
	None				

**OTHER**

Streams or springs location of diversion point	Flow in Priority right		(Unit) Diversions		Annual Quantities Diverted  (Unit)
	Claim	Capacity	Max	Min	
Bloods Creek Tributary		.075 CFS			5-8 MG
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)				
	Not Available			

**SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION**

Line	Acct	Account	Numbers at end of year	Salaries charged to expense	Salaries Charged to Plant Accts.	Total Salaries & Wages Paid
48	630	Employee Labor	16	14244	30389	44633
49	670	Office Salaries	1	31682	0	31682
50	671	Management Salaries	1	56724	16980	73704
51		Total	18	102650	47369	150019

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year					0
Additions during year					0
Subtotal - Beginning balance plus additions during year					0
Refunds					
Transfers to Acct. 271, Contributions in aid of construction					0
Balance end of year					0

**SCHEDULE K - TOTAL METTERS AND SERVICES (Active & inactive)**

Size	Meters	Services
3/4 In	8	455
1 In	4	
1 1/2 In	1	
2 In	4	1
3 In		1
4 In	1	3
Hydrants		46
<b>Totals</b>	<b>18</b>	<b>506</b>

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year
1 Used, before repa _____
2 Used, after repair _____
3 Fast, requiring refi _____
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		453	453		2	2	0	455
Commercial	13		13	0		0	13	0
County	5		5			0	5	0
Private Firelines		5	5			0	0	5
Subtotal	18	458	476	0	2	2	18	460
Fire Protection (Hydrants)		46	46			0	0	46
<b>Total</b>	<b>18</b>	<b>504</b>	<b>522</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>18</b>	<b>506</b>

Note: Total connexions(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	2 1/4" to 4"			Other Sizes (specify)			Totals
				2" & under	3 1/4"	4"	6"	8"	12"	
Concrete			Cast Iron							
Earth			Welded Steel							
Wood	4	340,000	Standard							
Steel	1	300,000	Cement-asbestos	10345	2100	22100	14222	280	4105	53152
Other			Plastic	280	6302	7577	2395	400	500	17454
			Other (specify)							
			More of the above is plastic and some lead-ins are steel. I do not have exact figures.							
<b>Totals</b>	<b>5</b>	<b>640,000</b>	<b>Totals</b>	<b>10625</b>	<b>8402</b>	<b>29677</b>	<b>16617</b>	<b>680</b>	<b>4605</b>	<b>70606</b>

**DECLARATION**

(Before signing please check to see that all schedules have been completed)

I, the undersigned (officer, partner or owner) of LAKE ALPINE WATER 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 01, 2006 to and including December 31, 2006

  
 \_\_\_\_\_  
 Roma P. Orvis  
 Secretary - Treasurer  
 Title  
March 24, 2007  
 Date