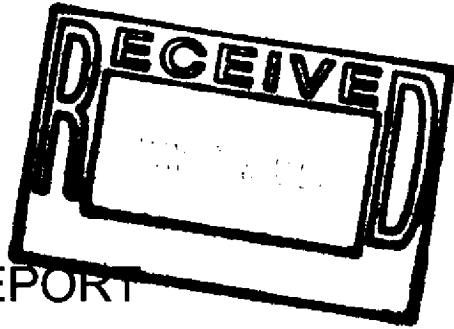


Received \_\_\_\_\_  
Examined \_\_\_\_\_

CLASS D  
WATER UTILITIES

U# \_\_\_\_\_



2004  
ANNUAL REPORT  
OF

Los Flores Water Works

The Patterson Trust (PATTERSONS)  
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P.O. Box 900

GERBER CA. 96035  
(OFFICIAL MAILING ADDRESS) ZIP

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2004

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2005  
(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:

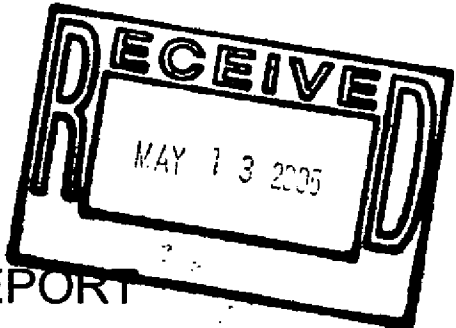
**CALIFORNIA PUBLIC UTILITIES COMMISSION  
WATER DIVISION  
ATTN: SEANEEN M WILSON  
505 VAN NESS AVENUE, ROOM 3105  
SAN FRANCISCO, CALIFORNIA 94102-3298**

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.

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

CLASS D  
WATER UTILITIES

U# \_\_\_\_\_



2004  
ANNUAL REPORT  
OF

Las Flores Water Works

The Patterson Trust (PATTERSONS)  
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

PO Box 800

GERBER CA. 96035  
(OFFICIAL MAILING ADDRESS) ZIP

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2004

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WATER DIVISION  
ATTN: SEANEEN M WILSON  
505 VAN NESS AVENUE, ROOM 3105  
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9. This report must cover a calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

Account Number	Operating Revenue	
470	Metered	24945
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	
	<b>Total Revenue</b>	24945
	<b>Operating Expenses</b>	
610	Purchased Water	
615	Purchased Power	
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	900
640	Materials	465
650	Contract Work	687
	Water Testing	622
660	Transportation Expense	450
664	Other Plant Maintenance	
670	Office Salaries	
671	Management Salaries	2900
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	660
681	Office Supplies and Expense	706
682	Professional Services	150
684	Insurance	559
688	Regulatory Expense	349
689	General Expense	175
	<b>Subtotal</b>	
403	Depreciation Expense	1479
	Ad Valorem Taxes	5524
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	1574
410	Federal Income Tax	1630
	<b>Total Deductions</b>	16078
	<b>Net Revenue</b>	8867
	<b>Rate Base</b>	67211

	Average Plant	67099
	Average Depreciation Reserve	44661
	Net Plant	45013
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	2500
	Plus: Material & Supplies	367
	<b>Rate Base</b>	<b>67898</b>
	<b>ROR=Net Rev/Rate Base</b>	

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

LAS FLORES WATER WORKS

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

PO. Box 900 GERBER CA. 96035

(Official mailing address)

LAS FLORES Subdivision 8 mi South Red Bluff

(Service area-town and county)

Tehama County

**GENERAL INFORMATION**

RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES

1 If a corporation show:

(A) Date of organization 4-28-92 incorporated in the State of CA.

(B) Names, titles and addresses of principal officers:

SHAN & Shirley PATTERSON DBA PATTERSON TRUST

2 If unincorporated give the name and address of owner or of each partner:

3 Name and telephone number of:

SHAN PATTERSON 530 385-1052

(A) One person listed above to receive correspondence:

(B) Person responsible for operations and services:

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)

If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?

5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:

DISTA GRANDE WATER SYSTEM & MIRA MONTE WATER CO.

**PUBLIC HEALTH STATUS**

Yes	No	Latest Date
	✓	<u>4-2-02</u>
✓		<u>5-2-05</u>
✓		<u>10-10-06</u>

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:

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

**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  
2004

NAME OF UTILITY LAS FLORES WATER WORKS PHONE 530-385-1052

PERSON RESPONSIBLE FOR THIS REPORT SHAW PATTERSON  
(Prepared from Information in the 2004 Annual Report)

	1/1/04	12/31/04	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant			
2 Land and Land Rights	<u>687</u>	<u>687</u>	<u>687</u>
3 Depreciable Plant	<u>66986</u>	<u>67211</u>	<u>67099</u>
4 Gross Plant in Service	<u>67673</u>	<u>67898</u>	<u>67785</u>
5 Less: Accumulated Depreciation	<u>45288</u>	<u>44034</u>	<u>44661</u>
6 Net Water Plant in Service			
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies	<u>270</u>	<u>465</u>	<u>367</u>
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	<u>45528</u>	<u>44999</u>	<u>45213</u>

<b>CAPITALIZATION</b>			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings			
18 Common Stock and Equity (Lines 14 through 17)	<u>10</u>	<u>A</u>	
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)			

(Revised 2/01)

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

2004  
(continued)

NAME OF UTILITY LAS FLORES Water Works PHONE 530-385-~~2449~~<sup>1052</sup>

<b>INCOME STATEMENT</b>		Annual Amount
23	Unmetered Water Revenue	_____
24	Fire Protection Revenue	_____
25	Irrigation Revenue	_____
26	Metered Water Revenue	<u>24945</u>
27	Total Operating Revenue	<u>24945</u>
28	<u>Operating Expenses</u>	_____
29	Depreciation Expense (Composite Rate <u>2.2</u> )	<u>1479</u>
30	Amortization and Property Losses	_____
31	Property Taxes	<u>524</u>
32	Taxes Other Than Income Taxes	_____
33	Total Operating Revenue Deduction Before Taxes	<u>10971</u> <del>22772</del>
34	California Corp. Franchise Tax	<u>1574</u>
35	Federal Corporate Income Tax	<u>1630</u>
36	Total Operating Revenue Deduction After Taxes	_____
37	Net Operating Income (Loss) - California Water Operations	_____
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	_____
39	Income Available for Fixed Charges	_____
40	Interest Expense	_____
41	Net Income (Loss) Before Dividends	_____
42	Preferred Stock Dividends	_____
43	Net Income (Loss) Available for Common Stock	<u>8827</u>

**OTHER DATA**

44	Refunds of Advances for Construction	_____
45	Total Payroll Charged to Operating Expenses	<u>3800</u>
46	Purchased Water	_____
47	Power	<u>2179</u>

<u>Active Service Connections</u>		(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections		<u>65</u>	<u>66</u>	<u>65</u>
49	Flat Rate Service Connections		_____	_____	_____
50	Total Active Service Connections		_____	_____	_____



**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: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

2. Former Fiscal Agent:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

*N/A*

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		<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					
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, 20\_\_)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	67898	201	Common Stock (Corporations only)	
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	
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	23864	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash	2500	253	Other deferred credits	
9	141	Accounts receivable - customers		255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	465		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		<b>Total Assets</b>	<b>46999</b>		<b>Total Equity and Liabilities</b>	

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	Ptt Additions During year	Ptt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					
17	303	Land	687				687
18	304	Structures					
19	307	Wells	4672				4672
20	317	Other water source plant					
21	311	Pumping equipment	6676				6676
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes	800				800
24	331	Water mains	36720				36720
25	333	Services and meter installations	10203	150			10353
26	334	Meters	2846	75			2921
27	335	Hydrants	2600				2600
28	339	Other equipment	1485				1485
29	340	Office furniture and equipment	984				984
30	341	Transportation equipment					
31		<b>Total water plant in service</b>	<b>67673</b>				<b>67899</b>

\* 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	22385		A. Method used to compute depreciation expense (Acct. 403) and rate.
33	Add: Credits to reserves during year	1479		
34	(a) Charged to Account No. 403	1479		STRAIGHT LINE 2.2%
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed or to be claimed on utility property in your federal income tax return for the year covered by this report \$
37	(d) Salvage recovered			
38	(e) All other credits			
39	Total credits	1479		
40	Deduct: Debits to reserves during year			UNKNOWN
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax depreciation.
43	(c) All other debits			
44	Total debits			STRAIGHT LINE
45	Balance in reserve at end of year	23864		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

Line **SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 20\_\_)**

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 - \$		<b>NONE</b>
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					<b>NONE</b>			
7								
8	Totals							

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	XXXXXXXXXX
10	460 Unmetered water revenue	
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	24945
14	480 Other water revenue	
15	Total Operating Revenue	24945
16	Operating revenue deductions	XXXXXXXXXX
17	Operating expenses	XXXXXXXXXX
18	610 Purchased water	
19	615 Power	2179
20	618 Other volume related expenses	465
21	630 Employee labor	900
22	640 Materials	465
23	650 Contract work	687
24	660 Transportation expenses <i>1200 AT 325</i>	450
25	664 Other plant maintenance expense <i>Phone</i>	276
26	670 Office salaries	
27	671 Management salaries	2900
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	660
31	681 Office supplies and expense	706
32	682 Professional services <i>TAX PREP</i>	150
33	684 Insurance	559
34	688 Regulatory commission expense	349
35	689 General expenses <i>Grounds</i>	175
36	Total Operating Expenses	10871
37	403 Depreciation expense	1479
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	524
40	409 State corporate income tax expense	1574
41	410 Federal corporate income tax expense	1630
42	Total Operating Revenue Deductions	16078
43	Utility Operating Income	8867
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	8867

**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
First St.	1	10	23	350	90612

**OTHER**

Streams or springs location of diversion point	Flow in		(Unit) Divisions		Annual quantities diverted (Unit)
	Priority right		Max	Min	
	Claim	Capacity			
Purchased water (unit)					Annual quantity
Supplier:					

**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			

**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		900		900
49	670	Office salaries				
50	671	Management salaries	1	2900		2900
51		Total		3800		3800

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year	
Additions during year	
Subtotal - Beginning balance plus additions during year	<i>None</i>
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	<i>65</i>	
3/4-in		
1-in		
-in		
-in		
Total	<i>65</i>	

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year	
1	Used, before repair... <i>None</i>
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	<i>36</i>			<i>8</i>			<i>69</i>	
Industrial								
Other (specify) <i>Church</i>		<i>1</i>					<i>1</i>	
Subtotal								
Fire protection (Hydrants)		<i>5</i>	<i>NO CHANGE</i>				<i>5</i>	
Total	<i>57</i>	<i>5</i>		<i>8</i>			<i>70</i>	

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	2 1/4 to	6"		Totals
				under	3 1/4	4"	Other sizes (specify)	
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel	<i>1</i>	<i>1000</i>	Cement-asbestos					
Other			Plastic				<i>2980</i>	<i>2980</i>
			Other (specify)					
Total			Total				<i>2980</i>	<i>2980</i>

**DECLARATION**

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

I, the undersigned (officer, partner or owner) of *Las Flores Water Works* (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 *1-1-04*, 20  , to and including *12-31-04*, 20  

*Shen Patterson*  
 Signed \_\_\_\_\_  
 Title *Caretaker Patterson Trust*  
 Date *5-11-05*