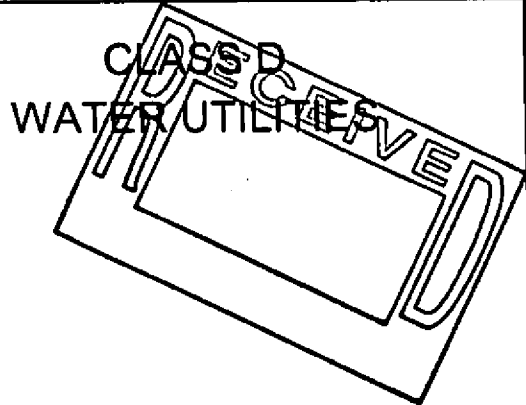


4

Received _____
Examined _____



U# WTD46

2005
ANNUAL REPORT
OF

Las Flores Water Works dba The Patterson Trust
(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, 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 calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

Utility: Las Flores Water Works dba The Patterson Trust

2005 Summary of Earnings

Account Number		
	Operating Revenue	XXXXX
460	Unmetered Water Revenue	0
462	Fire Protection Revenue	0
465	Irrigation Revenue	0
470	Metered Water Revenue	24,265
480	Other Water Revenue	0
	Total Operating Revenue	24,265
		XXXXX
	Operating Expenses	XXXXX
610	Purchased Water	0
615	Power	2,485
618	Other Volume Related Expenses	579
	Pump Taxes (Included in 618)	0
	Purchased Chemicals (Included in 618)	19
630	Employee Labor	900
640	Materials	297
650	Contract Work	4,846
	Water Testing (Included in 650)	846
660	Transportation Expense	582
664	Other Plant Maintenance Expense	0
670	Office Salaries	0
671	Management Salaries	1,500
674	Employee Pensions and Benefits	0
676	Uncollectible Accounts Expense	123
678	Office Service and Rentals	1,248
681	Office Supplies and Expense	344
682	Professional Services	150
684	Insurance	635
688	Regulatory Commission Expense	764
689	General Expenses	175
	Subtotal Operating Expenses	14,628
403	Depreciation Expense	1,487
408	Taxes Other Than Income Taxes	521
	Ad Valorem Taxes (Included in 408)	521
	Payroll taxes (Included in 408)	0
409	State Corporate Income Tax Expense	800
410	Federal Corporate Income Tax Expense	1,025
	Total Deductions	18,461
		XXXXX
	Net Revenue	5,804
		XXXXX
	Rate Base	XXXXX
	Average Plant	68,261
	Average Depreciation Reserve	24,604
	Net Plant	43,656
	Less: Advances	0
	Less: Contributions	0
	Plus: Construction Work in Progress	0
	Plus: Working Cash	2,500
	Plus: Material & Supplies	483
	Rate Base	46,639
		XXXXX
	Rate Of Return = Net Revenue/Rate Base	12.4%

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

Las Flores Water Works dba The Patterson Trust
(Name under which corporation, partnership or individual is doing business)

P.O. Box 900, Gerber, CA 96035
(Official mailing address)

Las Flores subdivision, 8 miles South of Red Bluff, Tehama County
(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL TO COMMISSION NO PHOTOCOPIES
--

1 If a corporation show:
 (A) Date of organization 04/28/92 incorporated in the State of California
 (B) Names, titles and addresses of principal officers:

Shan & Shirley Patterson (dba The Patterson Trust), Caretakers of The Patterson Trust, P.O. Box 900, Gerber, CA 96035

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:

Shan Patterson, (530) 385-1052

(B) Person responsible for operations and services:

Shan Patterson

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?

Office work and meter reading. Made to Phyllis Rwy in the amount of \$4,000 per year. Charged to Acct. #650.

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:

Mira Monte Water Company and Vista Grande Water System

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	Nov. 2002
X		Mar. 2006
X		Oct. 10, 1966
		N/A
		N/A

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
2005

NAME OF UTILITY: Las Flores Water Works dba The Patterson Trust

PHONE: (530) 385-1052

PERSON RESPONSIBLE FOR THIS REPORT: Shan Patterson
(Prepared from Information in the 2005 Annual Report)

	1/1/2005	12/31/2005	Average
BALANCE SHEET DATA			
1 Intangible Plant	0	0	0
2 Land and Land Rights	687	687	687
3 Depreciable Plant	67,461	67,686	67,574
4 Gross Plant in Service	68,148	68,373	68,261
5 Less: Accumulated Depreciation	23,861	25,348	24,604
6 Net Water Plant in Service	44,287	43,025	43,656
7 Plus: Water Plant Held for Future Use	0	0	0
8 Plus: Construction Work in Progress	0	0	0
9 Plus: Materials and Supplies	465	500	483
10 Less: Advances for Construction	0	0	0
11 Less: Contribution in Aid of Construction	0	0	0
12 Less: Accumulated Deferred Income and Investment Tax Credits	0	0	0
13 Net Plant Investment	44,752	43,525	44,139
CAPITALIZATION			
14 Common Stock	0	0	0
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	0	0	0
17 Retained Earnings	0	0	0
18 Common Stock and Equity (Lines 14 through 17)	0	0	0
19 Preferred Stock	0	0	0
20 Long-Term Debt	0	0	0
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	0	0	0

(Revised 3/06)

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

NAME OF UTILITY: Las Flores Water Works dba The Patterson Trust

PHONE: (530) 385-1052

INCOME STATEMENT	Annual Amount
<u>Operating Revenues</u>	
	xxxxx
23 Unmetered Water Revenue	0
24 Fire Protection Revenue	0
25 Irrigation Revenue	0
26 Metered Water Revenue	24,265
27 Other	0
28	Total Operating Revenue 24,265
<u>Operating Expenses</u>	
	xxxxx
29 Depreciation Expense (Composite Rate 2.2%)	1,487
30 Amortization and Property Losses	0
31 Property Taxes	521
32 Taxes Other Than Income Taxes	0
33	Total Operating Revenue Deduction Before Taxes 2,008
34 California Corporate Income Tax	800
35 Federal Corporate Income Tax	1,025
36	Total Operating Revenue Deduction After Taxes 3,833
37	Net Operating Income (Loss) - California Water Operations 20,432
38 Other Operating and Non-operating Income and Expense - Net (Exclude Interest Expense)	14,628
39 Income Available for Fixed Charges	0
40 Interest Expense	0
41	Net Income (Loss) Before Dividends 0
42 Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock 0
xxxxx	
xxxxx	
<u>OTHER DATA</u>	
44 Refunds of Advances for Construction	0
45 Total Payroll Charged to Operating Expenses	2,400
46 Purchased Water	0
47 Power	2,485

<u>Active Service Connections (Exclude Fire Protection)</u>	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections	66	66	66
49 Flat Rate Service Connections	0	0	0
50 Total Active Service Connections	66	66	66

**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: _____

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	_____ 0

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	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant	0	0	0	0	0
			xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
5		DEPRECIABLE PLANT	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
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	0	0	0	0	0
20		Total water plant in service	0	0	0	0	0

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2005)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	68,373	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	25,348	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash	2,500	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 depr.	
11	151	Materials and supplies	500	283	Accumulated deferred income taxes - other	
12	174	Other current assets		271	Contributions in aid of construction	
13	180	Deferred charges		272	Accumulated amortization of contributions	
14						
15		Total Assets	96,721		Total Equity and Liabilities	0

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	0				0
17	303	Land	687				687
18	304	Structures	0				0
19	307	Wells	4,672				4,672
20	317	Other water source plant	0				0
21	311	Pumping equipment	6,676				6,676
22	320	Water treatment plant	0				0
23	330	Reservoirs tanks and sandpipes	800				800
24	331	Water mains	36,720				36,720
25	333	Services and meter installations	10,453	150			10,603
26	334	Meters	3,071	75			3,146
27	335	Hydrants	2,600				2,600
28	339	Other equipment	1,485				1,485
29	340	Office furniture and equipment	984				984
30	341	Transportation equipment	0				0
31		Total water plant in service	68,148	225	0	0	68,373

* 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	A. Method used to compute depreciation expense (Acct. 403) and rate.
32	Balance in reserves at beginning of year	23,861		
33	Add: Credits to reserves during year	XXXXX	XXXXX	Straight Line @ 2.2%
34	(a) Charged to Account No. 403	1,487		
35	(b) Charged to Account No. 272	0		B. Amount of depreciation expense claimed
36	(c) Charged to clearing accounts	0		or to be claimed on utility property in
37	(d) Salvage recovered	0		your federal income tax return for the year
38	(e) All other credits	0		covered by this report \$
39	Total credits	1,487	0	
40	Deduct: Debits to reserves during year	XXXXX	XXXXX	Unknown
41	(a) Book cost of property retired	0		
42	(b) Cost of removal	0		C. State method used to compute tax
43	(c) All other debits	0		depreciation.
44	Total debits	0	0	
45	Balance in reserve at end of year	25,348	0	Straight Line @ 2.2%
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

Utility: Las Flores Water Works dba The Patterson Trust

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

Line				
1	Common - (Shares	\$	par)	None
2	Preferred - (Shares	\$	par)	None
3	Dividends - Common Rate -	\$		None
4	- Preferred Rate -	\$		None

List persons owning more than 5% of outstanding stock and number of shares owned by each:

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	xxxxx	xxxxx	0	0	xxxxx	0	0

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxx
10	460 Unmetered water revenue	0
11	462 Fire protection revenue	0
12	465 Irrigation revenue	0
13	470 Metered water revenue	24,265
14	480 Other water revenue	0
15	Total Operating Revenue	24,265
16	Operating revenue deductions	xxxxx
17	Operating expenses	xxxxx
18	610 Purchased water	0
19	615 Power	2,485
20	618 Other volume related expenses	579
21	630 Employee labor	900
22	640 Materials	297
23	650 Contract work	4,846
24	660 Transportation expenses	582
25	664 Other plant maintenance expense	0
26	670 Office salaries	0
27	671 Management salaries	1,500
28	674 Employee pensions and benefits	0
29	676 Uncollectible accounts expense	123
30	678 Office services and rentals	1,248
31	681 Office supplies and expense	344
32	682 Professional services	150
33	684 Insurance	635
34	688 Regulatory commission expense	764
35	689 General expenses	175
36	Total Operating Expenses	14,628
37	403 Depreciation expense	1,487
38	407 SDWBA loan amortization expense	0
39	408 Taxes other than income taxes	521
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	1,025
42	Total Operating Revenue Deductions	18,461
43	Non-Utility Operating Income	xxxxx
44	421 Non-utility income	0
45	426 Miscellaneous non-utility expense	0
46	427 Interest expense	0
47	Net Income	5,804

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 Street	1	10"	23	350	905,682

OTHER

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

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	Unknown	Unknown	905,682
Industrial	0	0	0
Public authorities	0	0	0
Irrigation	0	0	0
Other (specify)	xxxxx	xxxxx	xxxxx
None	0	0	0
	0	0	0
Total	0	0	905,682

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	1	900	0	900
49	670	Office salaries	0	0	0	0
50	671	Management salaries	1	1,500	0	1,500
51		Total	2	2,400	0	2,400

Utility: Las Flores Water Works dba The Patterson Trust

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

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

Size	Meters	Services
5/8 x 3/4-in	66	66
3/4-in	0	0
1-in	0	0
1-1/2-in	0	0
-in	0	0
Total	66	66

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	0
1	0
2	0
3	0
Numbers of meters in service requiring test per General Order No. 103	0

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	63	0	63	0	0	0	63	0
Industrial	2	0	2	0	0	0	2	0
Other (specify)	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
Church	1	0	1	0	0	0	1	0
Subtotal	66	0	66	0	0	0	66	0
Fire protection (Hydrants)	0	5	5	0	0	0	0	5
Total	66	5	71	0	0	0	66	5

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	Other sizes (specify)				Totals
				2" and under	2 1/4 to 3 1/4	4"	6"	
Concrete			Cast Iron					0
Earth			Welded steel					0
Wood			Standard screw					0
Steel	1	1,000	Cement-asbestos					0
Other			Plastic				2,980	2,980
			Other (specify)					0
Total	1	1,000	Total	0	0	0	2,980	2,980

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 dba The Patterson Trust (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 Shan Patterson
 Title Caretaker, The Patterson Trust
 Date 4-7-06