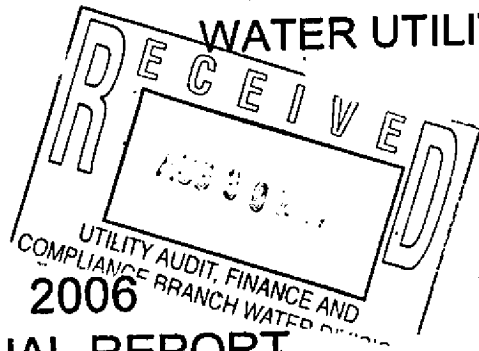


✓ ✓

Received _____
Examined _____

**CLASS D
WATER UTILITIES**



U# _____

**2006
ANNUAL REPORT
OF**

The Patterson Trust

dba Las Flores Water Works

(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, 2006**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007
(FILE TWO COPIES IF THREE RECEIVED)

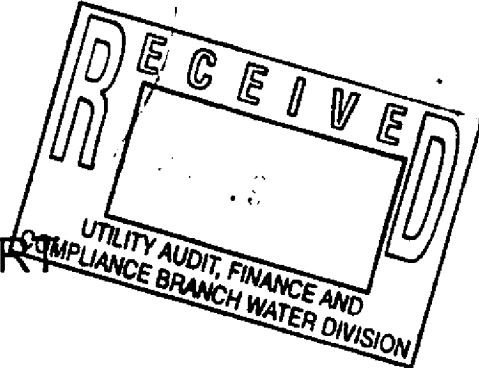
34

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2006
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, 2006

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007
(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: Kayode Kajoypaiye
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, typed or computer generated.
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 flow 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.

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

Las Flores Water Works

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

P.O. Box 900 Barber Ca 96035

(Official mailing address)

Las Flores subdivision 8 mi so. of Red Bluff Tehama Co.

(Service area-town and county)

Telephone Number:

Fax Number:

Email Address:

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1 If a ^{Trust} corporation show:
(A) Date of organization 4.28.92 incorporated in the State of Ca.
(B) Names, titles and addresses of principal officers:

2 If unincorporated provide the name and address of the owner(s) or the partners:

Shay + Shirley Patterson
PO Box 900 Barber Ca 96035

3 Name, title, 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)

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? Mark Patterson Trust
3048. #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:

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
	✓	11.02
✓		1.07
✓		10.10.56

Revised 8/30/07

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

~~The Patterson Trust dba Las Flores Water Works~~
(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, Tahoe County
(Service area-town and county)

Telephone Number:

Fax Number:

Email Address:

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

- 1 If a corporation show:
 - (A) Date of organization 28 April 1962 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers:
Shan and Shirley Patterson, Trustees of The Patterson Trust
- 2 If unincorporated provide the name and address of the owner(s) or the partners:
- 3 Name, title, and telephone number of:
 - (A) One person listed above to receive correspondence: Shan Patterson
 - (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?
\$3,048 paid to Mark Patterson Trust (See Account No. 650, Contract Work)
- 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	Nov '02
x		Jan '07
x		Oct '56

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

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 decisions require water utilities to: 1) 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 :

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 and/or Resolution Number approving Non-Tariffed Good/Service	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

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

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

\$ _____

3. 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	_____

**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					

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 20__)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	13107	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	26852	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash	1700	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	350		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	102604		Total Equity and Liabilities	

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				0
17	303	Land	1687				687
18	304	Structures	0				0
19	307	Wells	4672				4672
20	317	Other water source plant	0				0
21	311	Pumping equipment	6676				6676
22	320	Water treatment plant	0				0
23	330	Reservoirs tanks and sandpipes	800				800
24	331	Water mains	36720				36720
25	333	Services and meter installations	10603				10603
26	334	Meters	3146				3146
27	335	Hydrants	2600				2600
28	339	Other equipment	1485				1488
29	340	Office furniture and equipment	984				984
30	341	Transportation equipment		6096	-762		5334
31		Total water plant in service	68313				13707

* 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	25348		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			<i>Straight line 2.2%</i>
35	(b) Charged to Account No. 403	1504		
36	(c) Charged to Account No. 407			
37	(d) Salvage recovered			B. Amount of depreciation expense claimed
38	(e) All other credits			or to be claimed on utility property in
39	Total credits /	26852		your federal income tax return for the year
40	Deduct: Debits to reserves during year			covered by this report \$
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	26852		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

Revised 8/30/07

Las Flores Water Works
SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2006)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	73,707	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	(27,233)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash		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			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	46,474		Total Equity and Liabilities	46,474

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	800				800
23	330	Reservoirs tanks and sandpipes	800				800
24	331	Water mains	36,720				36,720
25	333	Services and meter installations	10,603				10,603
26	334	Meters	3,146				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					
31		Total water plant in service	68,373				68,373

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

Van (7 year life) -0- 6,000 762 5,334

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

73,707

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year	25,348		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate. 2.2%
34	(a) Charged to Account No. 403	1,504		and 14.3%
35	(b) Charged to Account No. 272	381		Van (7 year life)
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	27,233		covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			
43	(c) All other debits			C. State method used to compute tax
44	Total debits			depreciation.
45	Balance in reserve at end of year	27,233		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

Note : Data comes from utility work papers and assertions without verification

SCHEDULE F - INCOME STATEMENT for the Year of 2006

9		Operating revenues	XXXXXXXXXX	
10	460	Unmetered water revenue		
11	462	Fire protection revenue		
12	465	Irrigation revenue		
13	470	Metered water revenue		
14	480	Other water revenue	25,247	
15		Total Operating Revenue	25,247	
16		Operating revenue deductions	XXXXXXXXXX	
17		Operating expenses	XXXXXXXXXX	
18	610	Purchased water		
19	615	Purchased power	4,126	
20	618	Other volume related expenses		
21	630	Employee labor	900	
22	640	Materials		
23	650	Contract work	3,998	3,156+842
24	660	Transportation expenses	488	
25	664	Other plant maintenance expense	462	
26	670	Office salaries		
27	671	Management salaries	1,500	
28	674	Employee pensions and benefits		
29	676	Uncollectible accounts expense	17	
30	678	Office services and rentals	1,262	
31	681	Office supplies and expense	1,059	55+762+242
32	682	Professional services	150	
33	684	Insurance	656	
34	688	Regulatory commission expense		
35	689	General expenses	415	
36		Total Operating Expenses	15,033	
37	403	Depreciation expense	1,885	1,504 + 381
38	407	SDWBA loan amortization expense		
39	408	Taxes other than income taxes	1,247	894+353
40	409	State income tax expense	800	
41	410	Federal income tax expense	2,339	
42		Total Operating Revenue Deductions	3,943	
43		Utility Operating Income		
44	421	Non-utility income		
45	426	Miscellaneous non-utility expense		
46	427	Interest expense		
47		Net Income	3,943	

Note : Data comes from utility work papers and assertions without verification

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 20__)

Line

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							

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	25247
14	480 Other water revenue	
15	Total Operating Revenue	25247
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	1
19	615 Purchased power	4181
20	618 Other volume related expenses	415
21	630 Employee labor	900
22	640 Materials	771
23	650 Contract work	3899
24	660 Transportation expenses	472
25	664 Other plant maintenance expense	412
26	670 Office salaries	
27	671 Management salaries	1500
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	17
30	678 Office services and rentals	1219
31	681 Office supplies and expense	
32	682 Professional services	150
33	684 Insurance	632
34	688 Regulatory commission expense	353
35	689 General expenses <i>phone</i>	242
36	Total Operating Expenses	15165
37	403 Depreciation expense	1504
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	540
40	409 State income tax expense	500
41	410 Federal income tax expense	2339
42	Total Operating Revenue Deductions	20348
43	Utility Operating Income	4899
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	4999

Health kept

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
<i>First St</i>	<i>1</i>	<i>10"</i>	<i>23'</i>	<i>350</i>	

OTHER

Streams or springs location of diversion point	Flow in Priority right		(Unit) Diversions		Annual Quantities Diverted Unit
	Claim	Capacity	Max	Min	
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	<i>Aug</i>	<i>Mar</i>	<i>946244 cu ft</i>
Industrial/Commercial			
Fire Protection			
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	<i>1</i>	<i>900</i>		<i>900</i>
49	670	Office salaries				
50	671	Management salaries	<i>1</i>	<i>1500</i>		<i>1500</i>
51		Total		<i>2400</i>		<i>2400</i>

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	66	66
3/4-in		
1-in		
-in		
-in		
Total		

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1 Used, before repair...	0
2 Used, after repair	10
3 Fast, requiring refund	0
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	63					63		
Industrial/Commercial	2					2		
Irrigation								
Fire Protection (public)			5			5		
Fire Protection (private)								
Other (specify) Church	1					1		
Total	66		5			66		

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	4"	6"	Totals
				under	3 1/4		Other sizes (specify)	
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
Other			Plastic				2950	2950
			Other (specify)					
Total			Total				2950	2950

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, 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 Shane Patterson
 Title Caretaker, Patterson Trust
 Date 2-3-07

Revised 8/31/07

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	66	
3/4-in		
1-in		
-in		
-in		
Total	66	

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	63							
Industrial	2							
Other (specify) Church	1							
Subtotal	66							
Fire protection (Hydrants)	5							
Total								

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	4"	Other sizes (specify)	Totals
				under	3 1/4			
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 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 January, 2006 to and including 31 December, 2006

Signed Sharon Patterson
Carolee Patterson Trust
 Title _____
8-27-07
 Date _____