

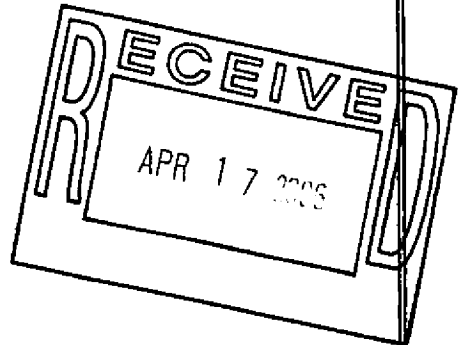
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**CLASS D
WATER UTILITIES**

U# _____

**2005
ANNUAL REPORT
OF**



**Rolling Green Utilities, Inc.
Water**

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

139 Elmcrest St. Big Pine, CA 93513
(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)

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Rolling Green Utilities, Inc.

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

139 Elmcrest St. Big Pine, CA 93513

(Official mailing address)

Big Pine - Inyo County

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 3/29/1965 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers: Don Kanen, VP, PO Box 995 Alamosa, CO 81101; Arnold Peterson, GM 139 Elmcrest St, Big Pine, CA 93513, Kathy Peterson, Sec. 139 Elmcrest St. Big Pine, CA 93513
- 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: **Kathy Peterson 760-938-3311**
 - (B) Person responsible for operations and services: **Arnold Peterson 760-938-3311**
- 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:

PUBLIC HEALTH STATUS

- 6 Has state or local health department inspection been made during the year?
- 7 Are routine laboratory tests of water being made?
- 8 Has state health department water supply permit been obtained? (Indicate date)
- 9 If no permit has been obtained, state whether application has been made and when.
- 10 Show expiration date if state permit is temporary.

Yes	No	Latest Date
	X	
X		Dec - '04
X		1965

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 Rolling Green Utilities, Inc.

PHONE 760-938-3311

PERSON RESPONSIBLE FOR THIS REPORT: Frank Brommenschenkel, Consultant
(Prepared from Information in the 2004 Annual Report)

	1/1/2005	12/31/2005	Average
BALANCE SHEET DATA			
1 Intangible Plant	\$ -	\$ -	\$ -
2 Land and Land Rights	\$ 12,783	\$ 12,783	\$ 12,783
3 Depreciable Plant	\$ 166,146	\$ 166,201	\$ 166,174
4 Gross Plant in Service	\$ 178,929	\$ 178,984	\$ 178,957
5 Less: Accumulated Depreciation	\$ 121,657	\$ 125,995	\$ 123,826
6 Net Water Plant in Service	\$ 57,272	\$ 52,989	\$ 55,130
7 Water Plant Held for Future Use			\$ -
8 Construction Work in Progress			\$ -
9 Materials and Supplies			\$ -
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	\$ 57,272	\$ 52,989	\$ 55,130
CAPITALIZATION			
14 Common Stock	\$ 54,300	\$ 54,300	\$ 54,300
15 Proprietary Capital (Individual or Partnership)			\$ -
16 Paid-in Capital	\$ (60,981)	\$ (60,981)	\$ (60,981)
17 Retained Earnings	\$ 155,431	\$ 153,227	\$ 154,329
18 Common Stock and Equity (Lines 14 through 17)	\$ 148,750	\$ 146,546	\$ 147,648
19 Preferred Stock			\$ -
20 Long-Term Debt			\$ -
21 Notes Payable			\$ -
22 Total Capitalization (Lines 18 through 21)	\$ 148,750	\$ 146,546	\$ 147,648

(Revised 10/97)

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

NAME OF UTILITY Rolling Green Utilities, Inc.

PHONE 760-938-3311

	Annual Amount
INCOME STATEMENT	
23 Unmetered Water Revenue	\$ -
24 Fire Protection Revenue	\$ 1,933
25 Other Water Revenue	\$ 79,240
26 Metered Water Revenue	\$ 81,173
27 Total Operating Revenue	\$ 71,062 ←
28 <u>Operating Expenses</u>	\$ 4,338
29 Depreciation Expense (Composite Rate 1.7%)	
30 Amortization and Property Losses	
31 Property Taxes	\$ 789
32 Taxes Other Than Income Taxes	\$ 2,720
33 Total Operating Revenue Deduction Before Taxes	\$ 78,909 ←
34 California Corp. Franchise Tax	\$ 415
35 Federal Corporate Income Tax	
36 Total Operating Revenue Deduction After Taxes	\$ 79,324
37 Net Operating Income (Loss) - California Water Operations	\$ 1,849
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	Non Utl Income
39 Income Available for Fixed Charges	
40 Interest Expense	\$ 1,970
41 Net Income (Loss) Before Dividends	\$ (120)
42 Preferred Stock Dividends	
43 Net Income (Loss) Available for Common Stock	\$ (120)

OTHER DATA

44 Refunds of Advances for Construction	\$ 29,633
45 Total Payroll Charged to Operating Expenses	\$ -
46 Purchased Water	\$ 10,187
47 Power	

<u>Active Service Connections</u>	<u>(Exc. Fire Protect.)</u>	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		280	280	280
49 Flat Rate Service Connections				-
50 Total Active Service Connections		280	280	280

**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:

N/A

Name: Bank of America

Address: _____

Phone Number: _____

Date Hired: _____

2. Former Fiscal Agent:

Name: _____

Address: _____

Phone Number: _____

Date Hired: _____

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

4. Summary of the trust bank account activities showing:

Balance at beginning of year	_____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

5. Account information:

Bank Name: Bank of America

Account Number: 1489-4-50138

Date Opened: 5/10/85

6. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
				N/A			
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, 2005)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	\$ 178,984	201	Common Stock (Corporations only)	\$ 54,300
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	\$ (60,981)
3	104	Water plant purchased or sold		215	Retained earnings	\$ 153,227
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	\$ (125,995)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	\$ 17,489
7	124	Other investments		252	Advances for construction	
8	131	Cash	\$ 1,568	253	Other deferred credits	\$ 8,889
9	141	Accounts receivable - customers	\$ 1,601	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies	\$ 24,850	282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets	\$ 1,033	283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14		Inter-division accounts receivable	\$ 90,884	272	Accumulated amortization of contributions	
15		Total Assets	\$ 172,925		Total Equity and Liabilities	\$ 172,925

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	\$ -				\$ -
17	303	Land	\$ 12,783				\$ 12,783
18	304	Structures	\$ 10,246				\$ 10,246
19	307	Wells	\$ 25,095				\$ 25,095
20	317	Other water source plant	\$ -				\$ -
21	311	Pumping equipment	\$ 40,546			\$ 55	\$ 40,601
22	320	Water treatment plant	\$ 991				\$ 991
23	330	Reservoirs tanks and sandpipes	\$ 1,575				\$ 1,575
24	331	Water mains	\$ 34,597				\$ 34,597
25	333	Services and meter installations	\$ 9,385				\$ 9,385
26	334	Meters	\$ 17,232				\$ 17,232
27	335	Hydrants	\$ 4,614				\$ 4,614
28	339	Other equipment	\$ 10,404				\$ 10,404
29	340	Office furniture and equipment	\$ 9,707				\$ 9,707
30	341	Transportation equipment	\$ 1,754				\$ 1,754
31		Total water plant in service	\$ 178,929	\$ -	\$ -		\$ 178,984

* 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	\$ 121,657		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	4,338		Straight line Remaining Life 2.61%
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	\$ 4,338		covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits			
45	Balance in reserve at end of year	\$ 125,995	\$ -	
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

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

Line				List persons owning more than 5% of outstanding stock
1	Common - (Shares	\$ par)		and number of shares owned by each: Rick Dewante 100%
2	Preferred - (Shares	\$ par)		
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	\$ 79,240
14	480 Other water revenue	\$ 1,933
15	Total Operating Revenue	\$ 81,173
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses (DHS Fees)	
18	610 Purchased water	
19	615 Power	\$ 10,187
20	618 Other volume related expenses	
21	630 Employee labor	\$ 4,050
22	640 Materials	\$ 7,884
23	650 Contract work	\$ 2,211
24	660 Transportation expenses	\$ 3,474
25	664 Other plant maintenance expense	\$ 1,586
26	670 Office salaries	\$ 4,749
27	671 Management salaries	\$ 20,834
28	674 Employee pensions and benefits	\$ 1,296
29	676 Uncollectible accounts expense	\$ 812
30	678 Office services and rentals	\$ 3,859
31	681 Office supplies and expense	\$ 1,762
32	682 Professional services	\$ 4,503
33	684 Insurance	\$ 1,737
34	688 Regulatory commission expense	
35	689 General expenses	\$ 2,119
36	Total Operating Expenses	\$ 71,062
37	403 Depreciation expense	\$ 4,338
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	\$ 3,510
40	409 State corporate income tax expense	\$ 415
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deduction	\$ 79,325
43	Utility Operating Income	\$ 1,849
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	\$ (1,970)
47	Net Income	\$ (121)

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
Well	1	6	250	30	48 AF

OTHER

Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted
	Priority right		Diversions		
	Claim	Capacity	Max	Min	(Unit)
					N/A
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	1	\$ 4,050		\$ 4,050
49	670	Office salaries		\$ 4,749		\$ 4,749
50	671	Management salaries	1	\$ 20,834		\$ 20,834
51		Total	2	\$ 29,633		\$ 29,633

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	\$ -
Additions during year	
Subtotal - Beginning balance plus additions during year	N/A
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
3/4 x 3/4-in	279	279
10-in		
1-in	1	1
1.5-in		
2-in		
3-in		
Total	280	280

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	
	1

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	280		280			0	280	0
Parks			0				0	
Industrial/Commerical			0				0	
Other (specify) Fire			0					
			0					
Subtotal	280	0	280		0	0	280	0
Fire protection (Hydrants)			0					0
Total	280	0	280				280	0
			0					

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"	10"	
Concrete			Cast Iron						-
Earth			Welded steel				6,520		6,520
Wood			Standard screw						-
Steel	1	5,000	Cement-asbestos			3000			3,000
Other			Plastic		3000		9000		12,000
			Other (specify)						-
			Other (specify)						-
			3/4" Gal Steel						-
Total		5,000	Total	-	3,000	3,000	15,520	0	21,520

DECLARATION

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

I, the undersigned (officer, partner or owner) of General Manager, Arnie Peterson (Name of utility), Rolling Green Utilities, Inc. 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

Arnie Peterson

Signed

Owner

Title President

Date 4-11-06

Date