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STATE OF CALIFORNIA

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2005
ANNUAL REPORT
OF

Rolling Green Utilities, Inc. - Sewer Division

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

139 Elmcrest Street, 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)

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 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.

CLASS D SEWER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Rolling Green Utilities, Inc. Sewer Division

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

139 Elmcrest Street, 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		4-Dec

- 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 - Sewer 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 D SEWER COMPANIES
2005

NAME OF UTILITY Rolling Green Utilities, Inc. Sewer

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	\$ 8,608	\$ 8,608	\$ 12,912
3 Depreciable Plant	\$ 180,654	\$ 180,709	\$ 271,009
4 Gross Plant in Service	\$ 189,262	\$ 189,317	\$ 283,921
5 Less: Accumulated Depreciation	\$ (154,817)	\$ 159,154	\$ (75,240)
6 Net Water Plant in Service	\$ 34,445	\$ 30,163	\$ 49,527
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	\$ 34,445	\$ 30,163	\$ 49,527
CAPITALIZATION			
14 Common Stock			\$ -
15 Proprietary Capital (Individual or Partnership)			\$ -
16 Paid-in Capital			\$ -
17 Retained Earnings	\$ (104,037)	\$ (105,180)	\$ (156,627)
18 Common Stock and Equity (Lines 14 through 17)	\$ (104,037)	\$ (105,180)	\$ (156,627)
19 Preferred Stock			\$ -
20 Long-Term Debt			\$ -
21 Notes Payable	\$ 46,506	\$ 39,947	\$ 66,480
22 Total Capitalization (Lines 18 through 21)	\$ (57,531)	\$ (65,233)	\$ (90,147)

(Revised 10/97)

NAME OF UTILITY Rolling Green Utilities, Inc. Sewer

PHONE 760-938-3311

		Annual Amount
INCOME STATEMENT		
23	Unmetered Revenue	\$ 81,308
24	Metered Revenue	
25	Total Operating Revenue	<u>\$ 81,308</u>
26	Operating Expenses	<u>\$ 66,293</u>
27	Depreciation Expense (Composite Rate _____)	<u>\$ 4,337</u>
28	Amortization and Property Losses	
29	Property Taxes	<u>\$ 789</u>
30	Taxes Other Than Income Taxes	<u>\$ 4,290</u>
31	Total Operating Revenue Deduction Before Taxes	<u>\$ 75,709</u>
32	California Corp. Franchise Tax	<u>\$ 415</u>
33	Federal Corporate Income Tax	
34	Total Operating Revenue Deduction After Taxes	<u>\$ 76,124</u>
35	Net Operating Income (Loss) - California Water Operations	<u>\$ 5,184</u>
36	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	
37	Income Available for Fixed Charges	
38	Interest Expense	<u>\$ (1,943)</u>
39	Net Income (Loss) Before Dividends	
40	Preferred Stock Dividends	
41	Net Income (Loss) Available for Common Stock	<u>\$ 3,240</u>

OTHER DATA		
42	Refunds of Advances for Construction	
43	Total Payroll Charged to Operating Expenses	<u>\$ 29,632</u>
44	Purchased Water	
45	Power	<u>\$ -</u>

<u>Active Service Connections</u>		(Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
46	Metered Service Connections				0
47	Flat Rate Service Connections		280	280	280
48	Total Active Service Connections		280	280	280

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2005)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Plant in service	\$ 189,317	201	Common Stock (Corporations only)	
2	103	Plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Plant purchased or sold		215	Retained earnings	\$ (105,180)
4	105	Plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of plant	\$ (159,154)	224	Long term debt	\$ 39,947
6	114	Plant acquisition adjustments			Current Liabilities	\$ 8,745
7	124	Other investments		252	Advances for construction	
8	131	Cash	\$ 1,568	253	Other deferred credits	\$ 90,854
9	141	Accounts receivable - customers	\$ 1,601	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			Inter-departmental accounts payable	
12	174	Other current assets	\$ 1,033	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	\$ 34,366		Total Equity and Liabilities	\$ 34,366

SCHEDULE B - SEWER 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	\$ 8,608				\$ 8,608
18	304	Structures	\$ 2,325				\$ 2,325
19	307	Wells	\$152,914			\$ 55	\$ 152,969
20	317	Other source plant					\$ -
21	311	Pumping equipment	\$ 257				\$ 257
22	320	Treatment plant					\$ -
23	330	Reservoirs					\$ -
24	331	Mains					\$ -
25	333	Services and meter installations					\$ -
26	334	Meters					\$ -
27	339	Other equipment	\$ 13,696				\$ 13,696
28	340	Office furniture and equipment	\$ 9,708				\$ 9,708
29	341	Transportation equipment	\$ 1,754				\$ 1,754
30		Total Plant in service	\$189,262	\$ -	\$ -	\$ 55	\$ 189,317

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Plant	
32	Balance in reserves at beginning of year	\$154,817	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	\$ 4,337	
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	\$ 4,337	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	\$159,154	
46	(1) Explanation of all other credits		
47	(2) Explanation of all other debits		

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	D.W. Night & Sons	1965	Sep-08	\$ 73,555		11%		
6								
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxxx
10	460 Unmetered revenue	\$ 78,425
11	470 Metered revenue	
12	480 Other revenue	\$ 2,883
13	Total Operating Revenue	\$ 81,308
14	Operating revenue deductions	xxxxxxxxxxx
15	Operating expenses	xxxxxxxxxxx
16	610 Purchased water	
17	615 Power	
18	618 Other volume related expenses	
19	630 Employee labor	\$ 4,050
20	640 Materials	\$ 5,916
21	650 Contract work	\$ 781
22	660 Transportation expenses	\$ 2,555
23	664 Other plant maintenance expense	\$ 5,553
24	670 Office salaries	\$ 4,749
25	671 Management salaries	\$ 20,833
26	674 Employee pensions and benefits	\$ 1,296
27	676 Uncollectible accounts expense	\$ 813
28	678 Office services and rentals	\$ 3,174
29	681 Office supplies and expense	\$ 1,762
30	682 Professional services	\$ 4,503
31	684 Insurance	\$ 1,737
32	688 Regulatory commission expense	
33	689 General expenses	\$ 8,570
34	Total Operating Expenses	\$ 66,293
35	403 Depreciation expense	\$ 4,337
36	408 Taxes other than income taxes	\$ 5,079
37	409 State corporate income tax expense	\$ 415
38	410 Federal corporate income tax expense	
39	Total Operating Revenue Deductions	\$ 9,831
40	Utility Operating Income	\$ 5,184
41	421 Non-utility income	
42	426 Miscellaneous non-utility expense	
43	427 Interest expense	\$ (1,943)
44	Net Income	\$ 3,240

SCHEDULE G - 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
45	630	Employee Labor	1	\$ 4,050		\$ 4,050
46	670	Office salaries	2	\$ 4,749		\$ 4,749
47	671	Management salaries	1	\$ 20,833		\$ 20,833
48		Total	4	\$ 29,632		\$ 29,632

SCHEDULE H - 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 I - TOTAL METERS AND SERVICES (active and inactive)

Size	Meters	Services
-in		
-in		
-in		
-in		
-in		
Total		

SCHEDULE J - METER-TESTING DATA

Number of meters tested during year	
1	Used, before repair...
2	Used, after repair
3	Fast, requiring refund ..

SCHEDULE K - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences		280	280					280
Industrial			0					
Other (specify)			0					
Total		280	280					280

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE L - STORAGE FACILITIES

SCHEDULE M - 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		6"		
Concrete			Cast Iron						
Earth			Welded steel						
Wood			Standard screw						
Steel			Cement-asbestos						
Other			Plastic				2,000		
			Other (specify)						
			Transite				2,000		
Total			Total				4,000		4,000

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 of Rolling Green Utilities, Inc. (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
 General Manager
 Title
 Date 4-11-06