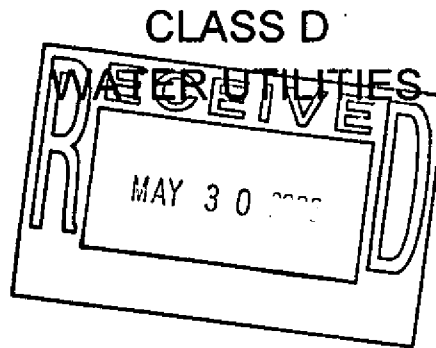


*Ju*

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



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

2005  
ANNUAL REPORT  
OF

Great Western Water District

---

DBA Spring Crest Water & Power

---

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

---

PO Box 390247, Anza CA 92539

---

(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)



To Whom It May Concern:

Please note that at this time, Great Western Water District does not in fact own Spring Crest Water & Power, we are merely receivers. For details, see enclosed court decision.

Also, upon assuming responsibility for Spring Crest Water & Power as receivers, we received NO financial records of any kind beyond a customer list. We have requested said financial documents on multiple occasions, and were simply referred to the previous receiver's lawyer and the court system on every occasion.

As a result, the numbers presented for this report are somewhat Ad Hoc, and will be far better organized on the following years.

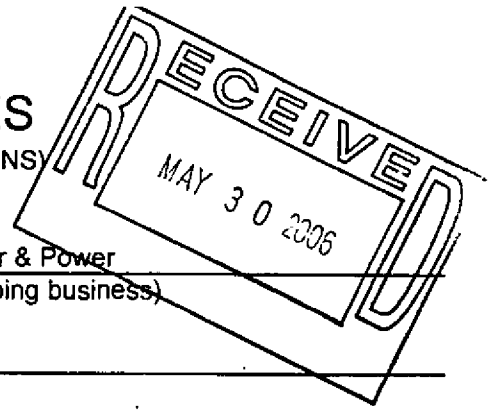
Thank you for your patience in this matter

A handwritten signature in black ink, appearing to be "Justin S. Levine". The signature is written in a cursive style and is somewhat messy, with some overlapping lines.

Justin S. Levine

Operations Officer, Great Western Water District  
DBA Spring Crest Water & Power

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



Great Western Water District DBA Spring Crest Water & Power  
(Name under which corporation, partnership or individual is doing business)

PO Box 390247, Anza CA 92539  
(Official mailing address)

(Service area-town and county)

**GENERAL INFORMATION**

RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES

- 1 If a corporation show:
  - (A) Date of organization 4/20/2004 incorporated in the State of CA
  - (B) Names, titles and addresses of principal officers:  
Louis DeMartino, President/CEO, PO Box 390247, Anza, CA 92539
- 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:
  - (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) 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: N/A

**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
		Unknown
X		3/21/2006
X		2005

**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  
20\_\_

NAME OF UTILITY Spring Crest Water & Power

PHONE 951-763-4541

PERSON RESPONSIBLE FOR THIS REPORT Justin Levine

(Prepared from Information in the 20\_\_ Annual Report)

	5/1/2005	12/31/2005	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant	0	0	0
2 Land and Land Rights	7500	7500	7500
3 Depreciable Plant	35000	35000	35000
4 Gross Plant in Service	35000	35000	35000
5 Less: Accumulated Depreciation	0	1110	555
6 Net Water Plant in Service	35000	33890	34445
7 Water Plant Held for Future Use	0	0	0
8 Construction Work in Progress	0	0	0
9 Materials and Supplies	0	0	0
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	35000	33890	34445
<b>CAPITALIZATION</b>			
14 Common Stock	0	0	0
15 Proprietary Capital (Individual or Partnership)	0	2400	1200
16 Paid-in Capital	0	0	0
17 Retained Earnings			
18 Common Stock and Equity (Lines 14 through 17)		2400	1200
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 2/01)

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

20\_\_\_\_  
(continued)

NAME OF UTILITY Spring Crest Water & Power PHONE 951-763-4541

		Annual Amount
<b>INCOME STATEMENT</b>		
23	Unmetered Water Revenue	<u>1667.5</u>
24	Fire Protection Revenue	<u>0</u>
25	Irrigation Revenue	<u>0</u>
26	Metered Water Revenue	<u>0</u>
27	Total Operating Revenue	<u>1667.5</u>
28	<u>Operating Expenses</u>	<u>5147</u>
29	Depreciation Expense (Composite Rate 3%)	<u>-1110</u>
30	Amortization and Property Losses	<u>          </u>
31	Property Taxes	<u>          </u>
32	Taxes Other Than Income Taxes	<u>          </u>
33	Total Operating Revenue Deduction Before Taxes	<u>5704.5</u>
34	California Corp. Franchise Tax	<u>          </u>
35	Federal Corporate Income Tax	<u>          </u>
36	Total Operating Revenue Deduction After Taxes	<u>          </u>
37	Net Operating Income (Loss) - California Water Operations	<u>5704.5</u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>          </u>
39	Income Available for Fixed Charges	<u>          </u>
40	Interest Expense	<u>          </u>
41	Net Income (Loss) Before Dividends	<u>          </u>
42	Preferred Stock Dividends	<u>          </u>
43	Net Income (Loss) Available for Common Stock	<u>          </u>
<b>OTHER DATA</b>		
44	Refunds of Advances for Construction	<u>          </u>
45	Total Payroll Charged to Operating Expenses	<u>          </u>
46	Purchased Water	<u>          </u>
47	Power	<u>1992</u>

<u>Active Service Connections</u>		(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections				
49	Flat Rate Service Connections		82	82	82
50	Total Active Service Connections		82	82	82

**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	_____

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					
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, 2005)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	0	201	Common Stock (Corporations only)	0
2	103	Water plant held for future use	0	211	Other paid-in capital (Corporations only)	0
3	104	Water plant purchased or sold	37000	215	Retained earnings	-3209.5
4	105	Water plant construction work in progress	0	218	Proprietary capital	2400
5	108	Accumulated depreciation of water plant	-1110	224	Long term debt	0
6	114	Water plant acquisition adjustments	0		Current Liabilities	44042
7	124	Other investments	0	252	Advances for construction	
8	131	Cash	5675	253	Other deferred credits	
9	141	Accounts receivable - customers	1667.5	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies	0	282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	0		depreciation	
12	174	Other current assets	0	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	0	271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		<b>Total Assets</b>	<b>43232.5</b>		<b>Total Equity and Liabilities</b>	<b>43232.5</b>

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	Pit Additions During year	Pit Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant	0	0			0
17	303	Land	0	0			0
18	304	Structures	0	0			0
19	307	Wells	0	8000			8000
20	317	Other water source plant	0	0			0
21	311	Pumping equipment	0	2000			2000
22	320	Water treatment plant	0	0			0
23	330	Reservoirs tanks and sandpipes	0	5000			5000
24	331	Water mains	0	20000			20000
25	333	Services and meter installations	0	0			0
26	334	Meters	0	0			0
27	335	Hydrants	0	0			0
28	339	Other equipment	0	0			0
29	340	Office furniture and equipment	0	1000			1000
30	341	Transportation equipment	0	1000			1000
31		<b>Total water plant in service</b>	<b>0</b>	<b>37000</b>			<b>37000</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	0		A. Method used to compute depreciation
33	Add: Credits to reserves during year	0		expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	1110		
35	(b) Charged to Account No. 272	0		
36	(c) Charged to clearing accounts	0		B. Amount of depreciation expense claimed
37	(d) Salvage recovered	0		or to be claimed on utility property in
38	(e) All other credits	0		your federal income tax return for the year
39	Total credits	1110		covered by this report \$
40	Deduct: Debits to reserves during year	0		
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		
45	Balance in reserve at end of year	0		
46	(1) Explanation of all other credits	0		
47	(2) Explanation of all other debits	1110		

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

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	1667.5
11	462	Fire protection revenue	0
12	465	Irrigation revenue	0
13	470	Metered water revenue	0
14	480	Other water revenue	0
15		Total Operating Revenue	1667.5
16		Operating revenue deductions	xxxxxxxxxx
17		Operating expenses	xxxxxxxxxx
18	610	Purchased water	0
19	615	Power	1992
20	618	Other volume related expenses	0
21	630	Employee labor	0
22	640	Materials	890
23	650	Contract work	0
24	660	Transportation expenses	278
25	664	Other plant maintenance expense	0
26	670	Office salaries	0
27	671	Management salaries	300
28	674	Employee pensions and benefits	
29	676	Uncollectible accounts expense	
30	678	Office services and rentals	0
31	681	Office supplies and expense	1000
32	682	Professional services	
33	684	Insurance	0
34	688	Regulatory commission expense	
35	689	General expenses	
36		Total Operating Expenses	4460
37	403	Depreciation expense	1110
38	407	SDWBA loan amortization expense	
39	408	Taxes other than income taxes	0
40	409	State corporate income tax expense	0
41	410	Federal corporate income tax expense	
42		Total Operating Revenue Deductions	5570
43		Utility Operating Income	1667.5
44	421	Non-utility income	0
45	426	Miscellaneous non-utility expense	0
46	427	Interest expense	
47		Net Income	-3902.5

**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

**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) Supplier:					Annual quantity

**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	0	0		0
49	670	Office salaries	0	0		0
50	671	Management salaries	1	300		300
51		Total	1	300		300

**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		
3/4-in		
1-in		
-in		
-in		
Total		

**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								
Industrial								
Other (specify)								
Subtotal								
Fire protection (Hydrants)								
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 Spring Crest Water Power (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 June 1<sup>st</sup>, 2005 to and including December 31<sup>st</sup>, 2005

Signed \_\_\_\_\_  
 Title Owner/CEO  
 Date 4-11-06

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

20\_\_\_\_  
(continued)

NAME OF UTILITY Spring Crest Water & Power PHONE 951-763-4541

<b>INCOME STATEMENT</b>		Annual Amount
23	Unmetered Water Revenue	1667.5
24	Fire Protection Revenue	0
25	Irrigation Revenue	0
26	Metered Water Revenue	0
27	Total Operating Revenue	1667.5
28	<u>Operating Expenses</u>	5147
29	Depreciation Expense (Composite Rate 3%)	-1110
30	Amortization and Property Losses	_____
31	Property Taxes	_____
32	Taxes Other Than Income Taxes	_____
33	Total Operating Revenue Deduction Before Taxes	5704.5
34	California Corp. Franchise Tax	_____
35	Federal Corporate Income Tax	_____
36	Total Operating Revenue Deduction After Taxes	_____
37	Net Operating Income (Loss) - California Water Operations	5704.5
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	_____

**OTHER DATA**

44	Refunds of Advances for Construction	_____
45	Total Payroll Charged to Operating Expenses	_____
46	Purchased Water	_____
47	Power	1992

<u>Active Service Connections</u> (Exc. Fire Protect.) _____		Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections			
49	Flat Rate Service Connections	12	12	12
50	Total Active Service Connections	12	12	12

1 WILLIAM C. KATZENSTEIN, County Counsel SBN 61681  
 2 JOE S. RANK, Assistant County Counsel SBN 113607  
 3 CHRISTIAN T. KIM, Deputy County Counsel SBN 231017  
 3535 Tenth Street, Suite 300  
 4 Riverside, California 92501-3674  
 Telephone: (951) 955-6300

5 Attorneys for County of Riverside

6  
 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 8 FOR THE COUNTY OF RIVERSIDE

9	In Re:	)	CASE NO. INC 022456
10	SPRING CREST WATER AND POWER	)	[PROPOSED] ORDER GRANTING
11	COMPANY, 67325 Highway 74 Mountain	)	EX PARTE MOTION TO DISCHARGE
12	Center, Riverside County, California;	)	RECEIVER AND SUBSTITUTE ANOTHER
13	WAYNE MORETTI, and	)	RECEIVER.
14	RJB-II Limited Partnership, an	)	
15	Illinois Limited Partnership, Owners and	)	Date: April 18, 2005
16	Operators; TERRY L. LANE, an individual,	)	Time: 8:30 a.m.
	Receiver	)	Dept: 2-G

17 Based on evidence presented at the hearing on the *ex parte* motion to discharge receiver and  
 18 substitute another receiver, the Court hereby finds:

19 The County of Riverside Health Services Agency Department of Environmental Health ("the  
 20 Department") filed an *ex parte* motion to discharge receiver and substitute another receiver for the Spring  
 21 Crest Water and Power Company ("Spring Crest") on April 14, 2005. The matter was telephonically  
 22 noticed for hearing on April 18, 2005. The Department served the Owners/Operators of Spring Crest Mr.  
 23 Wayne Moretti and RJB-II Limited Partnership with the *ex parte* motion and accompanying declarations  
 24 via facsimile and telephonically serviced notice of the time, date, and place of the hearing.

25 The Owners/Operators of Spring Crest have made no appearance in this matter. The Department  
 26 submitted the matter to the Court for decision.

27  
 28 The Court, having considered the *ex parte* motion and the declarations attached thereto, and good

1 cause existing therefore, now orders as follows:

2 1. That Terry L. Lane of 67-115 Ribbonwood Drive in Spring Crest, Mountain Center,  
3 California be discharged as the receiver of the Spring Crest Water and Power Company;

4 2. That Terry L. Lane submit an accounting to the Court within 30 days from the date of this  
5 Order;

6 3. That Louis F. DeMartino of 56490 Highway 371 in Anza California be appointed as the  
7 substitute receiver of the Spring Crest Water and Power Company;

8 4. That in accordance with Health and Safety Code Section 116665, no personal liability will  
9 be borne by the appointed receiver for any good faith, reasonable effort to assume possession of, and to  
10 operate, the Spring Crest Water and Power Company system in compliance with this order;

11 5. That no bond will be posted by the receiver;

12 6. That the appointed receiver will be compensated at the rate of fifty (50) dollars per month,  
13 or at the current existing rate, whichever is greater, for each existing connection to the Spring Crest Water  
14 and Power Company system;

15 7. That the appointed receiver shall submit all rate changes to the Department for review and  
16 approval before they are imposed on the customers of the water system; and

17 8. That the appointed receiver may apply to the Department for approval to recover  
18 extraordinary expenses it may incur in operating the Spring Crest Water and Power Company system.

19 9. That the receiver is authorized to obtain, use, and possess the business records of Spring  
20 Crest Water and Power Co; and

21 10. That the appointed receiver is authorized to bill customers of the water system  
22 retroactively to the last date(s) bills for service were sent to said customers, and to collect the receipts  
23 from said billings.

24 ///

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IT IS SO ORDERED.

DATED:

\_\_\_\_\_  
JUDGE OF THE SUPERIOR COURT