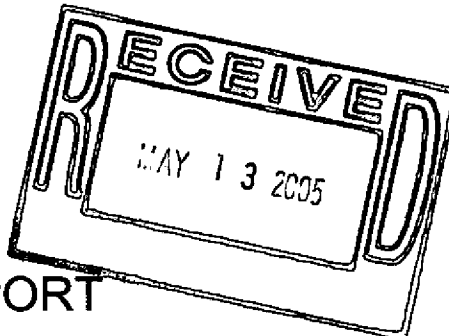


Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____



2004
ANNUAL REPORT
OF

Vista Grand Water System

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

P.O. Box 900

UCRBER CA 96035
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2004

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2005
(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: SEANEEN M WILSON
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.

Account Number	Operating Revenue	
470	Metered	38872
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	38872
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	8244
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	626
630	Employee Labor	1200
640	Materials	15819
650	Contract Work	4663
	Water Testing	1243
660	Transportation Expense	1875
664	Other Plant Maintenance	
670	Office Salaries	
671	Management Salaries	6350
674	Employee Pensions and Benefits	
676	Uncollectables	7
678	Office Service and Rentals	1656
681	Office Supplies and Expense	521
682	Professional Services	150
684	Insurance	6155
688	Regulatory Expense	544
689	General Expense	150
	Subtotal	
403	Depreciation Expense	3643
	Ad Valorem Taxes	777
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	0
410	Federal Income Tax	0
	Total Deductions	48625
	Net Revenue	< 9753 >
	Rate Base	171579

	Average Plant	133046
	Average Depreciation Reserve	47271
	Net Plant	85775
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	3000
	Plus: Material & Supplies	15819
	Rate Base	133046
	ROR=Net Rev/Rate Base	<9753>

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

Vista Grande Water System DBA PATTERSON TRUST
(Name under which corporation, partnership or individual is doing business)

PO Box 900 Geeser CA. 96035
(Official mailing address)

Vista Grande Sub. 1 mi N.E. Red Bluff Tehama Co.
(Service area-town and county)

GENERAL INFORMATION

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 give the name and address of owner or of each partner:

3 Name and telephone number of: Shaw PATTERSON 530 385-1052
(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)
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:
Las Flores Water Works Mira Monte Water Co.

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
	✓	11-02
✓		12 5-2-05
✓		11-68

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 - 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 04

NAME OF UTILITY Dista Grande Water System PHONE 530-385 1052

PERSON RESPONSIBLE FOR THIS REPORT Shaw Patterson

(Prepared from Information in the 2004 Annual Report)

	11/1 <u>04</u>	12/31/ <u>04</u>	Average
BALANCE SHEET DATA			
1 Intangible Plant	<u>501</u>	<u>501</u>	<u>501</u>
2 Land and Land Rights	<u>1000</u>	<u>5500</u>	<u>3250</u>
3 Depreciable Plant	<u>93013</u>	<u>165878</u>	<u>129295</u>
4 Gross Plant in Service	<u>94514</u>	<u>171578</u>	<u>133046</u>
5 Less: Accumulated Depreciation	<u>45430</u>	<u>49098</u>	<u>47271</u>
6 Net Water Plant in Service	<u>49084</u>	<u>122480</u>	<u>85775</u>
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies	<u>2166</u>	<u>15819</u>	<u>8992</u>
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	<u>49084</u>	<u>122480</u>	<u>85775</u>
CAPITALIZATION			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings			
18 Common Stock and Equity (Lines 14 through 17)		<u>N/A</u>	
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)			

(Revised 2/01)

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

20 04
(continued)

NAME OF UTILITY Vista Grande Water PHONE 530 585 1052

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	_____
24	Fire Protection Revenue	_____
25	Irrigation Revenue	_____
26	Metered Water Revenue	<u>38872</u>
27	Total Operating Revenue	<u>38872</u>
28	<u>Operating Expenses</u>	_____
29	Depreciation Expense (Composite Rate <u>2.2</u>)	<u>3643</u>
30	Amortization and Property Losses	_____
31	Property Taxes	<u>777</u>
32	Taxes Other Than Income Taxes	_____
33	Total Operating Revenue Deduction Before Taxes	<u>44203</u>
34	California Corp. Franchise Tax	<u>0</u>
35	Federal Corporate Income Tax	<u>0</u>
36	Total Operating Revenue Deduction After Taxes	<u>44203</u>
37	Net Operating Income (Loss) - California Water Operations	<u>(9753)</u>
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	<u>(9753)</u>

OTHER DATA

44	Refunds of Advances for Construction	_____
45	Total Payroll Charged to Operating Expenses	<u>7550</u>
46	Purchased Water	_____
47	Power	<u>8244</u>

<u>Active Service Connections</u>		<u>(Exc. Fire Protect.)</u>		Annual Average
		Jan. 1	Dec. 31	
48	Metered Service Connections	<u>122</u>	<u>128</u>	<u>125</u>
49	Flat Rate Service Connections	_____	_____	_____
50	Total Active Service Connections	<u>122</u>	<u>128</u>	<u>125</u>

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...

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter

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

NA

**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: _____

NA

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, 20__)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	171579	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	49093	224	Long term debt <i>MAIN Line BPA</i>	64633
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash	3000	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	15879		depreciation	49093
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	141305		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	501				501
17	303	Land	1000	4500			5500
18	304	Structures	10124	1500			11624
19	307	Wells	20139	20000			40139
20	317	Other water source plant					
21	311	Pumping equipment	16201	17090			33291
22	320	Water treatment plant	617				617
23	330	Reservoirs tanks and sandpipes	6057				6057
24	331	Water mains	22897	17380			40277
25	333	Services and meter installations	7595	13404			21003
26	334	Meters	6406	450			6856
27	335	Hydrants	1000	1500			2500
28	339	Other equipment <i>Connections</i>		1255			1255
29	340	Office furniture and equipment	1975				1975
30	341	Transportation equipment					
31		Total water plant in service	94574	77089			171579

* 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	45450		A. Method used to compute depreciation
33	Add: Credits to reserves during year	3643		expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	3643		<i>2.2% Straight Line</i>
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	3643		covered by this report \$
40	Deduct: Debits to reserves during year			<i>UNKNOWN</i>
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			<i>Straight Line</i>
45	Balance in reserve at end of year	49093		
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 - \$		<i>None</i>
	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	MAIN Line CXL	8-6-04		64633	64633	0	0	0
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	38972
14	480 Other water revenue	
15	Total Operating Revenue	38972
16	Operating revenue deductions	XXXXXXXXXX
17	Operating expenses	XXXXXXXXXX
18	610 Purchased water	
19	615 Power	8244
20	618 Other volume related expenses	Proc 626
21	630 Employee labor	1200
22	640 Materials	15819
23	650 Contract work	4663
24	660 Transportation expenses	5000 At 3% 1875
25	664 Other plant maintenance expense	
26	670 Office salaries	
27	671 Management salaries	6350
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	7
30	678 Office services and rentals	1656
31	681 Office supplies and expense	521
32	682 Professional services	include Lab 1393
33	684 Insurance	1155
34	688 Regulatory commission expense	544
35	689 General expenses	Tax Prep 150
36	Total Operating Expenses	44203
37	403 Depreciation expense	3643
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	777
40	409 State corporate income tax expense	0
41	410 Federal corporate income tax expense	0
42	Total Operating Revenue Deductions	45225
43	Utility Operating Income	(9253)
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	(9253)

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
1 Roundup	1	10	unknown	350	unknown
2 MARY LN	1	8	45	375	595330
3 Beechdotes	1	12	25	600	22553

OTHER

Streams or springs location of diversion point	Flow in		(Unit) Diversions		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 Pump meter			5978/23 cu ft
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		1200		1200
49	670	Office salaries				
50	671	Management salaries	1	6350		6350
51		Total		7550		7550

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	
Additions during year	MAIN LINE EXT. 64633
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	120	
3/4-in	4	
1-in	1	
1 1/2-in	3	
-in		
Total	128	

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1	Used, before repair... <input checked="" type="checkbox"/>
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	126							
Industrial	4							
Other (specify)								
Subtotal								
Fire protection (Hydrants)	11	N/C						
Total	130							

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	Footage					Totals
				2" and under	2 1/4 to 3 1/4	4"	6"	8"	
Concrete			Cast Iron						
Earth			Welded steel						
Wood			Standard screw						
Steel	2	6000	Cement-asbestos						1929
Other			Plastic	200	100	3575	3049	60	6979
			Other (specify)						
Total	2	6000	Total	200	100	3575	3049	60	8908

DECLARATION

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

I, the undersigned (officer, partner or owner) of Victa Grande Water System (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 1-1-04, 20 , to and including 12-31-04, 20

Signed Shan Patterson
 Title caretaker Patterson Trust
 Date 5-11-05