

CALIFORNIA WATER SERVICE CO.
Balance Sheet
December 31, 2016 AND 2015

ASSETS	<u>2016</u>	<u>2015</u>
Utility Plant:		
Land	\$ 33,549,264	\$ 35,714,143
Depreciable plant and equipment	2,341,234,621	2,125,009,075
Construction work in progress	127,379,182	135,858,804
Intangible assets	17,621,988	17,122,535
	<u>2,519,785,055</u>	<u>2,313,704,557</u>
Less: Depreciation of plant and equipment	(792,431,002)	(746,303,026)
Amortization of intangibles	(13,560,922)	(12,059,163)
	<u>(805,991,924)</u>	<u>(758,362,189)</u>
Net utility plant	1,713,793,131	1,555,342,368
Current assets:		
Cash	13,172,455	4,226,736
Working funds, deposits, temporary cash investments	42,975	42,975
Accounts receivable:		
Customers, less allowance for doubtful accounts	27,933,904	29,464,749
Taxes Receivable	3,349,296	3,124,750
Unbilled revenue	23,559,676	21,648,041
Other Accounts Receivable	44,007,052	46,539,110
Materials and supplies	5,523,970	5,490,830
Prepaid expenses	5,635,285	6,609,857
Intercompany Transfers	3,607,742	26,218,823
Clearing accounts	1,282,586	976,669
Total current assets	<u>128,114,941</u>	<u>144,342,541</u>
Other assets:		
Regulatory assets	352,139,452	358,253,835
Other Intangible assets	0	0
Long Term Intercompany Receivable	0	0
Investment In Non-Utility Property	139,108	675,841
Other	50,221,527	44,868,373
Total other assets	<u>402,500,086</u>	<u>403,798,049</u>
	<u>\$ 2,244,408,158</u>	<u>\$ 2,103,482,957</u>

CWS NEW 3 BALANCE SHT

BALSHT2

CALIFORNIA WATER SERVICE CO.
Balance Sheet
December 31, 2016 AND 2015

CAPITALIZATION AND LIABILITIES	<u>2016</u>	<u>2015</u>
Capitalization		
Common stockholders' equity		
Common stock	\$ 273,746,586	\$ 273,746,586
Retained earnings	321,256,004	308,045,418
Accumulated other comprehensive loss	0	0
	<u>595,002,590</u>	<u>581,792,004</u>
	52.8%	53.5%
First mortgage bonds	521,445,545	497,000,000
Unamortized debt premium and expense	(3,888,356)	(4,842,081)
Senior Notes	0	0
Long Term Intercompany Debt	0	0
Other Long-Term Debt	13,292,831	14,318,691
Total Long Term Debt	<u>530,850,021</u>	<u>506,476,610</u>
	47.2%	46.5%
Total capitalization	<u>1,125,852,610</u>	<u>1,088,268,614</u>
	100.0%	100.0%
Current liabilities:		
Current maturities of LT Debt	25,656,491	6,210,595
Notes payable	40,000,000	0
Payable to Affiliates	539,227	667,070
Accounts payable	79,756,481	66,041,042
Accrued interest	5,553,853	4,998,129
Accrued general taxes	3,481,251	3,367,028
Income taxes	130,000	(0)
Short Term Intercompany Debt	0	0
Unearned revenue - charges billed in advance	825,147	1,316,024
Accrued and deferred compensation	14,900,263	13,894,149
Accrued pension and post retirement benefits	2,135,940	1,886,713
Accrued benefit and worker's compensation	10,142,009	7,702,897
Other	5,304,654	4,781,483
Total current liabilities	<u>188,425,315</u>	<u>110,865,130</u>
Unamortized investment tax credit	1,798,069	1,872,487
Deferred income taxes	296,781,437	264,822,668
Regulatory liabilities	38,735,236	35,264,265
Advances for construction	181,907,034	179,629,994
Contributions in aid of construction	146,433,984	142,280,690
Other long-term liabilities	264,474,472	280,479,109
	<u>\$ 2,244,408,158</u>	<u>\$ 2,103,482,957</u>

CALIFORNIA WATER SERVICE CO.
STATEMENT OF INCOME AND RETAINED EARNINGS
MONTH ENDING December 31, 2016

	<u>CURRENT MONTH</u>			<u>YEAR TO DATE</u>			<u>12 MONTHS TO DATE</u>		
	<u>This Year</u>	<u>Prior Year</u>	<u>Change</u>	<u>This Year</u>	<u>Prior Year</u>	<u>Change</u>	<u>This Year</u>	<u>Prior Year</u>	<u>Change</u>
Operating revenue	\$43,801,909	\$33,873,053	\$9,928,856	\$570,514,140	\$552,201,925	\$18,312,215	\$570,514,140	552,201,925	\$18,312,215
Operating expenses:									
Operations:									
Purchased water	11,767,482	12,095,062	(327,581)	181,018,194	168,156,670	12,861,524	181,018,194	168,156,670	12,861,524
Purchased power	520,864	588,651	(67,786)	19,790,523	20,282,154	(491,631)	19,790,523	20,282,154	(491,631)
Pump taxes	1,061,035	854,181	206,854	11,298,617	11,478,598	(179,981)	11,298,617	11,478,598	(179,981)
Administrative and General	6,856,286	9,440,785	(2,584,499)	97,315,125	109,813,503	(12,498,378)	97,315,125	109,813,503	(12,498,378)
GO Allocations	(839,549)	(972,962)	133,412	(9,313,646)	(8,570,042)	(743,605)	(9,313,646)	(8,570,042)	(743,605)
Other operations	7,984,255	3,008,499	4,975,755	73,918,769	61,156,145	12,762,624	73,918,769	61,156,145	12,762,624
Total operations	27,350,372	25,014,216	2,336,156	374,027,581	362,317,027	11,710,554	374,027,581	362,317,027	11,710,554
Maintenance	1,818,577	1,895,688	(77,111)	22,052,806	20,658,656	1,394,150	22,052,806	20,658,656	1,394,150
Depreciation and amortization	4,920,701	4,770,951	149,751	59,138,168	56,910,702	2,227,465	59,138,168	56,910,702	2,227,465
Federal income taxes	2,772,860	(343,504)	3,116,364	23,326,213	23,829,216	(503,003)	23,326,213	23,829,216	(503,003)
State income taxes	(2,191,398)	(1,138,416)	(1,052,982)	(583,091)	134,548	(717,639)	(583,091)	134,548	(717,639)
Taxes other than income taxes	1,641,338	1,886,530	(245,192)	20,330,524	18,848,090	1,482,434	20,330,524	18,848,090	1,482,434
Total operating expenses	36,312,450	32,085,465	4,226,986	498,292,201	482,698,239	15,593,962	498,292,201	482,698,239	15,593,962
Net operating income	7,489,459	1,787,589	5,701,870	72,221,939	69,503,686	2,718,253	72,221,939	69,503,686	2,718,253
Other Income and Expenses:									
Non regulated revenue	2,553,575	967,665	1,585,910	15,113,917	14,460,441	653,476	15,113,917	14,460,441	653,476
Non regulated expense	(707,162)	(804,830)	97,668	(8,767,504)	(11,690,696)	2,923,192	(8,767,504)	(11,690,696)	2,923,192
New Business	(22,407)	(30,740)	8,333	(267,013)	(446,337)	179,324	(267,013)	(446,337)	179,324
Gain on sale on non-utility property	0	0	0	(185,640)	315,432	(501,072)	(185,640)	315,432	(501,072)
Miscellaneous	(131,806)	(85,502)	(46,304)	(1,046,651)	(732,987)	(313,664)	(1,046,651)	(732,987)	(313,664)
Income taxes on other income and exp	(693,578)	(18,985)	(674,593)	(1,976,207)	(776,558)	(1,199,649)	(1,976,207)	(776,558)	(1,199,649)
	998,622	27,608	971,014	2,870,901	1,129,294	1,741,608	2,870,901	1,129,294	1,741,608
Interest:									
Interest on long-term debt	2,567,358	2,416,698	150,660	30,806,758	26,344,066	4,462,692	30,806,758	26,344,066	4,462,692
Other interest	104,659	68,889	35,770	1,004,080	1,280,190	(276,110)	1,004,080	1,280,190	(276,110)
Interest capitalized	(195,053)	(152,497)	(42,556)	(2,905,414)	(1,873,036)	(1,032,378)	(2,905,414)	(1,873,036)	(1,032,378)
Amortization of bond premium and expense, n	74,943	71,333	3,610	871,361	825,497	45,864	871,361	825,497	45,864
	2,551,907	2,404,423	147,484	29,776,785	26,576,717	3,200,068	29,776,785	26,576,717	3,200,068
NET INCOME	5,936,173	(589,227)	6,525,400	45,316,056	44,056,263	1,259,793	45,316,056	44,056,263	1,259,793
Dividends on preferred stock	0	0	0	0	0	0	0	0	0
Balance for common stock	5,936,173	(589,227)	6,525,400	45,316,056	44,056,263	1,259,793	45,316,056	44,056,263	1,259,793
Dividends on common stock	(139)	0	(139)	32,105,470	31,582,929	522,541	32,105,470	31,582,929	522,541
Retained earnings, beginning of period	\$315,319,691	\$308,634,644	\$6,685,047	\$308,045,418	\$295,572,084	\$12,473,334	\$308,045,418	\$295,572,084	\$12,473,334
Retained earnings, end of period	\$321,256,004	\$308,045,418	\$13,210,586	\$321,256,004	\$308,045,418	\$13,210,586	\$321,256,004	\$308,045,418	\$13,210,586
EARNINGS PER SHARE	\$ 0.40	(0.04)	\$ 0.44	\$ 3.05	2.96	\$ 0.09	\$ 3.05	2.96	\$ 0.09
Fully diluted average shares outstanding	14,865,574	14,876,318	(10,744)	14,868,551	14,880,181	(11,630)	14,868,551	14,880,181	(11,630)
Number of customers	482,414	482,369	45	482,414	480,273	2,141	482,414	480,273	2,141

CWS INCOME STATEMENT_12 MONTHS

CONS_152