

OILDALE MUTUAL WATER COMPANY
COMPARATIVE STATEMENT OF FINANCIAL CONDITION
JUNE 30, 2017 AND JUNE 30, 2016

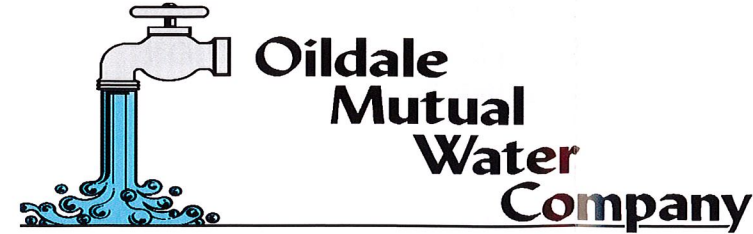
ASSETS

	<u>June 30</u> <u>2017</u>	<u>June 30</u> <u>2016</u>	<u>Increase</u> <u>(Decrease)</u>
CURRENT ASSETS			
Cash on Hand and in Bank	4,453,640	1,329,976	3,123,664
Funded Reserve			
Emergency Contingency Fund	1,392,184	1,744,020	(351,836)
Plant Expansion Fund	2,784,370	3,488,040	(703,670)
Plant Repair & Replacement Fund	5,104,678	6,394,738	(1,290,060)
Accounts Receivable - Trade	480,397	470,077	10,320
Interest Receivable	9,300	6,984	2,316
Inventory - Materials & Supplies	125,174	105,395	19,779
TOTAL CURRENT ASSETS	14,349,743	13,539,230	810,513
PROPERTY, PLANT & EQUIPMENT			
Wells and Pumping Equipment	1,926,402	1,926,402	0
Distribution System	16,992,465	16,673,202	319,263
Transportation Equipment	649,846	641,258	8,588
Building and Improvements	1,017,605	1,017,605	0
Other Equipment	276,113	328,403	-52,290
	<u>20,862,431</u>	<u>20,586,870</u>	<u>275,561</u>
Less Accumulated Depreciation	8,469,912	7,865,724	604,188
	<u>12,392,519</u>	<u>12,721,146</u>	<u>(328,627)</u>
Land	722,773	722,773	0
Net General Plant and Equipment	<u>13,115,292</u>	<u>13,443,919</u>	<u>(328,627)</u>
TOTAL ASSETS	<u>27,465,035</u>	<u>26,983,149</u>	<u>481,886</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>June 30</u> <u>2017</u>	<u>June 30</u> <u>2016</u>	<u>Increase</u> <u>(Decrease)</u>
CURRENT LIABILITIES			
Accounts Payable	352,983	342,842	10,141
Income Tax Payable	1,194	0	1,194
Current Portion of Long Term Debt	1,559	1,559	0
Consumer Prepayments	<u>113,096</u>	<u>105,911</u>	<u>7,185</u>
Total Current Liabilities	468,832	450,312	18,520
Long Term Debt, Less Current Portion	54,581	57,700	-3,119
Contributions in Aid of Const.	4,713,704	4,878,879	(165,175)
STOCKHOLDERS' EQUITY			
Common Stock-Authorized			
3,000,000 shares	3,091,416	3,055,506	35,910
Deposit on Stock	54,646	64,888	-10,242
Additional Contributed Capital	5,731,277	5,731,277	0
Retained Earnings	<u>13,350,579</u>	<u>12,744,587</u>	<u>605,992</u>
Total Stockholders' Equity	22,227,918	21,596,258	631,660
Total Liabilities and Equity	<u>\$27,465,035</u>	<u>\$26,983,149</u>	<u>\$481,886</u>

**OILDALE MUTUAL WATER COMPANY
INCOME STATEMENT
YEAR ENDED JUNE 30, 2017**



INCORPORATED OCTOBER 30, 1919

Phone (661) 399-5516
2836 McCray St.

P.O. Box 5638
Oildale, CA 93388

OPERATING REVENUE		
Water Sales and Related Charges		\$7,530,362
OPERATING EXPENSE		
Water Supply Costs		\$4,184,442
OPERATION AND MAINTENANCE COSTS		
Field Salaries	\$513,266	
Repair and Maintenance	\$288,684	
Operations	\$25,297	
Utilities	\$68,229	
Fuel and Lubricants	\$28,986	
Engineering	\$19,305	
Laboratory Testing	\$9,767	
Employee Benefits	\$202,804	
		\$1,156,338
ADMINISTRATIVE AND GENERAL EXPENSE		
Salaries	\$520,529	
Professional Fees	\$37,622	
Health Benefits	\$47,463	
Public Relations	\$32,938	
Postage and Printing	\$61,050	
Insurance	\$24,747	
Pension Plan	\$47,254	
Payroll and County Taxes	\$164,019	
Office Expense and Supplies	\$271,107	
		\$1,206,729
Depreciation Expense		\$439,013
Operating Income		\$543,840
OTHER INCOME		
Interest Income		\$64,146
Settlement Income		\$0
Gain on Asset Sale		\$0
Income Before Tax		\$607,986
INCOME TAXES		
Current Income Tax		\$1,994
NET INCOME		\$605,992

TO THE STOCKHOLDERS:

You are cordially invited to attend the Annual Meeting of Stockholders of the Oildale Mutual Water Company to be held at the Oildale Mutual Water Company, 2836 McCray St. on October 2, 2017 at 7:00 p.m. This meeting is being held for the purpose of (1) electing a Board of five Directors, (2) transacting other business, including taking action upon stockholder proposals as may properly come before the meeting.

In order to meet the requirements of a quorum, 20% of the shares of this corporation must be represented in person or by proxy at this meeting. For your convenience, we have enclosed a proxy card with this Notice of Annual Meeting and Financial Statement. Regardless of the number of shares you own, it is important that your shares be represented. Accordingly, **we hope that you will complete and sign the proxy card which requires no postage and return it to us promptly**, whether or not you are planning to be present. It is intended that the proxies received by Management will be voted in favor of the election of the five persons named below to serve as Directors for a term of one year or until the next Annual Meeting of Shareholders. If any of them is not a candidate at the time the election occurs, it is intended that such proxies will be voted for the election of the other nominees named and may be voted for substituted nominees. **Please sign and return the blue proxy card before September 22, 2017.**

The Board of Directors would like to express their thanks to the Stockholders for the very fine cooperation during the past year.

Respectfully Submitted,

HUGH PEARSON, President
WILLIAM PURKISER, Vice President
ROSS JOHNSON
LONNY BOLLER
DON WATTENBARGER

DOUGLAS R. NUNNELEY, Secretary-Manager