

CLASS "A" OR "B"

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WATER AND/OR WASTEWATER UTILITIES  
(Gross Revenue of More Than \$200,000 Each)

## ANNUAL REPORT

OF

WS926-10-AR NORTH BEACH UTILITIES, INC

Exact Legal Name of Respondent

473W & 409S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2010

RECEIVED  
FLORIDA PUBLIC SERVICE  
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# EDMISTON & EDMISTON, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

17 CORDOVA STREET

ST. AUGUSTINE, FLORIDA 32084

MARGARET ANN EDMISTON, CPA  
MARGARET GREER EDMISTON, CPA  
E. CATALINA USINA-MORSE, CPA  
SUSANNE S. DRISCOLL, CPA

TELEPHONE (904) 824-9192  
FAX (904) 824-3783

ESTABLISHED 1951

WILLIAM C. EDMISTON, JR.  
(1926-2008)

## ACCOUNTANTS' COMPILATION REPORT

Mr Frank D Usina  
North Beach Utilities, Inc.  
St Augustine, Florida

We have compiled the balance sheets of North Beach Utilities, Inc., as of December 31, 2010 and 2009, the related operating statements for the years then ended and the statement of retained earnings for the year ended December 31, 2010 included in the accompanying prescribed form. We have also compiled the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) of the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and the supplementary information referred to above, and accordingly, do not express an opinion or provide any assurance about whether the financial statements and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) are in accordance with the form prescribed by Florida Public Service Commission.

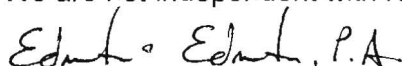
Management is responsible for the preparation and fair presentation of the financial statements and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) in accordance with requirements prescribed by Florida Public Service Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b).

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b).

These financial statements (including related disclosures) and the supplementary information on pages F-4 through F-15, F-17 through F-23, W-2 through W-10(b), and S-2 through S-10(b) are presented in accordance with the requirements of Florida Public Service Commission, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Florida Public Service Commission and is not intended to be and should not be used by anyone other than this specified party.

The supplementary information, contained on pages E-2 through E-10(b), W-1, W-11 through W-14, S-1, and S-11 through S-13 of the accompanying prescribed form has not been audited, reviewed or compiled by us, and accordingly, we assume no responsibility for that information.

We are not independent with respect to North Beach Utilities, Inc.



Certified Public Accountants  
May 26, 2011

# **EXECUTIVE SUMMARY**

## CERTIFICATION OF ANNUAL REPORT



I HEREBY CERTIFY, to the best of my knowledge and belief:

- |  |                                |  |
|--|--------------------------------|--|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.  |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified			
1.	2.	3.	4.
x	x	x	x

1.	2.	3.	4.
x	x	x	x

 (Signature of Chief Executive Officer of the utility) *	
 (Signature of Chief Financial Officer of the utility) *	

- \* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

**NOTICE:** Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.



# ANNUAL REPORT OF

**YEAR OF REPORT**

December 31, 2010

**WS926-10-AR NORTH BEACH UTILITIES, INC**

(Exact Name of Utility)

County: **St Johns**

List below the exact mailing address of the utility for which normal correspondence should be sent:

4125 Coastal Highway

St Augustine, FL 32084-1418

Telephone: (904) 824-1806

E Mail Address: max@bellsouth.net

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number NB1682

Name and address of person to whom correspondence concerning this report should be addressed:

Robert Usina

4125 Coastal Highway

St Augustine, FL 32084-1418

Telephone: (904) 824-1806

List below the address of where the utility's books and records are located:

4125 Coastal Highway

St Augustine, FL 32084-1418

Telephone: (904) 824-1806

List below any groups auditing or reviewing the records and operations:

Date of original organization of the utility: 04/13/83

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual

☐

Partnership

☐

Sub S Corporation

☐

1120 Corporation

☒

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	Frank D Usina	26%
2.	John F Usina	49%
3.	Elizabeth K Usina	25%
4.		
5.		
6.		
7.		
8.		
9.		
10.		

**YEAR OF REPORT**  
December 31, 2010

[illegible]

- E-3

## COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A. The utility began its operation as a partnership in 1970 to provide water service only to a small area of North Beach Subdivision. The initial water plant was a 15,000 GPD package plant. Growth was slow throughout the 70's but eventually required expansion to free standing aerators, pressure tank and additional pumps.

In 1983 the utility was asked by the St Johns County Health Department to expand outside of North Beach Subdivision to provide water and sewage service to the planned Sea Side Condominium. The utility was incorporated and installed a 35,000 GPD package waste water treatment plant at that time. By 1985 the utility had expanded water and waste water service south along A-1-A to Vilano Road and water only north to serve Ponte Vedra Shores West.

Also in 1985 St Johns County opted for Public Service Commission regulation. We requested a staff assisted rate case at that time. A detailed engineering and financial study was done at that time by the PSC staff. Rate increases since that time have been based on that study.

A major water plant expansion was completed in March 1988 with installation of a second well (8"), variable speed high service pumps, a 750 GPM fire service pump and a 100,000 gallon reservoir. In March 1989 a 150,000 GPD field directed waste water plant was completed. Tankage was constructed to allow expansion to 300,000 GPD.

In March 1990 we were notified by DEP that additional water treatment was required. Consultants recommended reverse osmosis treatment as the best option. Permitting, financing and construction of the reverse osmosis treatment was completed in September 1994 to continue the existing 400,000 GPD plant capacity.

Installation of 3rd RO unit completed August, 2000. Plant capacity now 777,600 GPD.

B. Water and waste water service with fire hydrants in over 50% of the service area.

C. Quality, responsive service and operation.

D. None beyond water and waste water service.

E. Anticipated slow growth throughout our service area with mixed use development in the area of the Vilano Town Center that is now happening at lesser levels than earlier planned. New planned growth is a Publix with small retail area. The planned Vilano Town Center had resulted in the loss of four restaurants, one motel, several mobile homes, and personal residences which may or may not reopen or be replaced in the near term.

F. 12" water transmission line from water plant to Vilano area completed in December 2002

Wastewater plant expansion permitted with construction complete in 2005.

210,000 GPD reservoir at water plant completed in 2006.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

**PARENT / AFFILIATE ORGANIZATION CHART**

Current as of 12/31/10

Complete below an organizational chart that shows all parents, subsidiaries and affiliates of the utility.

The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

There are no parents or subsidiaries.

Officer Stock ownership %

	Frank D Usina	John F Usina	Elizabeth K Usina
North Beach Utilities, Inc	26%	49%	25%
North Beach Investment, Inc*	15.3039%	17.0834%	15.1213%
St Augustine Scenic Cruise, Inc	50%	50%	0%
The Reef of St Augustine, Inc	100%	0%	0%
Aunt Kate's, LLC	4% (Managing Member)		
JFFD	50%	50%	

\*Frank D Usina owns 100% of voting stock for this entity.

**COMPENSATION OF OFFICERS**

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Frank D Usina	President	40%	\$ 45,614
John F Usina	Vice-President	0%	0
Elizabeth K Usina	Secretary/Treasurer	0%	0

**COMPENSATION OF DIRECTORS**

For each director, list the number of directors' meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Frank D Usina	President	1	\$ 0
John F Usina	Vice-President	1	0
Elizabeth K Usina	Secretary/Treasurer	1	0

[illegible]

E-7

**YEAR OF REPORT**  
December 31, 2010

[illegible]

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**  
December 31, 2010

**BUSINESSES WHICH ARE A BY-PRODUCT, CO PRODUCT OR JOINT-PRODUCT  
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

Complete the following for any business which is conducted as a byproduct, co product, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

[illegible]



**WS926-10-AR NORTH BEACH UTILITIES, INC**

December 31, 2010

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**  
December 31, 2010

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

## Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
2. Below are examples of some types of transactions to include:
  - purchase, sale or transfer of equipment
  - purchase, sale or transfer of land and structures
  - purchase, sale or transfer of securities
  - noncash transfers of assets
  - noncash dividends other than stock dividends
  - write-off of bad debts or loans
3. The columnar instructions follow:
  - (a) Enter name of related party or company.
  - (b) Describe briefly the type of assets purchased, sold or transferred.
  - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
  - (d) Enter the net book value for each item reported.
  - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
  - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

[illegible]

# **FINANCIAL SECTION**

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 5,457,446	\$ 5,465,132
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,586,557	2,662,189
Net Plant			\$ 2,870,889	\$ 2,802,943
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,870,889	\$ 2,802,943
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	\$	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10		0
124	Utility Investments	F-10		0
125	Other Investments	F-10		0
126-127	Special Funds	F-10		0
Total Other Property & Investments			\$ 0	\$ 0
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 7,484	\$ 49,268
132	Special Deposits	F-9		0
133	Other Special Deposits	F-9		0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	91,835	94,925
145	Accounts Receivable from Associated Companies	F-12		105,048
146	Notes Receivable from Associated Companies	F-12		0
151-153	Material and Supplies		62,963	72,109
161	Stores Expense			
162	Prepayments		9,388	8,632
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	36,259	48,628
Total Current and Accrued Assets			\$ 207,929	\$ 378,610

\* Not Applicable for Class B Utilities

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ 183	\$ 6,756
182	Extraordinary Property Losses	F-13		0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	5,371	5,728
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		\$ 5,554	\$ 12,484
	TOTAL ASSETS AND OTHER DEBITS		\$ 3,084,372	\$ 3,194,037

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

The space below is provided for important notes regarding the balance sheet

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 500	\$ 500
204	Preferred Stock Issued	F-15		0
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		634,112	634,112
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(263,997)	(196,644)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 370,615	\$ 437,968
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		0
224	Other Long Term Debt	F-17	693,607	917,706
Total Long Term Debt			\$ 693,607	\$ 917,706
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		68,010	49,981
232	Notes Payable	F-18		0
233	Accounts Payable to Associated Companies	F-18	422,687	303,181
234	Notes Payable to Associated Companies	F-18	0	0
235	Customer Deposits		13,506	16,292
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	158	13
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	1,433	2,575
Total Current & Accrued Liabilities			\$ 505,794	\$ 372,042

\* Not Applicable for Class B Utilities

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____ 0
252	Advances For Construction	F-20	_____	_____ 0
253	Other Deferred Credits	F-21	_____	_____ 0
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ _____ 0	\$ _____ 0
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves			
Total Operating Reserves			\$ _____ 0	\$ _____ 0
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ _____ 2,411,660	\$ _____ 2,424,941
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	_____ 912,808	_____ (981,417)
Total Net CIAC			\$ _____ 1,498,852	\$ _____ 1,443,524
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		_____ 15,504	_____ 22,797
Total Accumulated Deferred Income Tax			\$ _____ 15,504	\$ _____ 22,797
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ _____ 3,084,372	\$ _____ 3,194,037

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues	F-3(b)	\$ 1,055,730	\$ 1,107,797
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		0
	Net Operating Revenues		\$ 1,055,730	\$ 1,107,797
401	Operating Expenses	F-3(b)	\$ 728,908	\$ 793,558
403	Depreciation Expense:	F-3(b)	\$ 233,883	\$ 175,838
	Less: Amortization of CIAC	F-22	68,241	68,609
	Net Depreciation Expense		\$ 165,642	\$ 107,229
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		0
407	Amortization Expense (Other than CIAC)	F-3(b)		0
408	Taxes Other Than Income	W/S-3	71,553	110,715
409	Current Income Taxes	W/S-3		10,116
410.1	Deferred Federal Income Taxes	W/S-3	14,251	7,337
410.11	Deferred State Income Taxes	W/S-3		1,708
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	(11,142)	(8,297)
412.1	Investment Tax Credits Deferred to Future Periods	W/S-3		0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		0
	Utility Operating Expenses		\$ 969,212	\$ 1,022,366
	Net Utility Operating Income		\$ 86,518	\$ 85,431
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		0
413	Income From Utility Plant Leased to Others			0
414	Gains (losses) From Disposition of Utility Property			0
420	Allowance for Funds Used During Construction			0
	Total Utility Operating Income [Enter here and on Page F-3(c)]		\$ 86,518	\$ 85,431

\* For each account,  
Column e should  
agree with Columns  
f, g and h  
on F-3(b)



UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES.

<b>YEAR OF REPORT</b> December 31, 2010
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**COMPARATIVE OPERATING STATEMENT (Cont'd)**

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 678,542 0	\$ 429,255 0	\$
\$ 678,542	\$ 429,255	\$ 0
\$ 384,662	\$ 408,896	\$
101,427 25,848	74,411 42,761	
\$ 75,579	\$ 31,650	\$ 0
0 0 69,454 38,199 0 0 (8,297) 0 0	0 0 41,261 (28,083) 7,337 1,708 0 0 0	
\$ 559,597	\$ 462,769	\$ 0
\$ 118,945	\$ (33,514)	\$ 0
0 0 0 0	0 0 0 0	
\$ 118,945	\$ (33,514)	\$ 0

\* Total of Schedules W-3 / S-3 for all rate groups.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

**COMPARATIVE OPERATING STATEMENT (Cont'd)**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 86,518	\$ 85,431
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income		43	0
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 43	\$ 0
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$	\$ 0
409.2	Income Taxes			
410.2	Provision for Deferred Income Taxes			
411.2	Provision for Deferred Income Taxes - Credit			
412.2	Investment Tax Credits - Net			
412.3	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 58,897	\$ 57,519
428	Amortization of Debt Discount & Expense	F-13	734	1,376
429	Amortization of Premium on Debt	F-13		0
Total Interest Expense			\$ 59,631	\$ 58,895
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.3	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ 26,930	\$ 26,536

Explain Extraordinary Income:

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UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 2,932,584	\$ 2,532,548
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,368,977	1,293,212
110	Accumulated Amortization	F-8	0	0
271	Contributions in Aid of Construction	F-22	929,777	1,495,164
252	Advances for Construction	F-20		
Subtotal			\$ 633,830	\$ (255,828)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	411,709	569,708
Subtotal			\$ 1,045,539	\$ 313,880
114	Plus or Minus: Acquisition Adjustments (2)	F-7	0	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0	0
	Working Capital Allowance (3)		48,083	51,112
	Other (Specify):			
RATE BASE			\$ 1,093,622	\$ 364,992
NET UTILITY OPERATING INCOME			\$ 118,945	\$ (33,514)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			10.88%	-9.18%

**NOTES :**

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.  
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 500	0.03%	11.83%	0.01%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	917,706	57.67%	11.83%	6.82%
Customer Deposits	16,292	1.02%	11.83%	0.12%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	22,797	1.43%	11.83%	0.17%
Other (Explain)	0	0.00%		0.00%
Additional paid in capital	634,112	39.85%	11.83%	4.71%
Total	\$ 1,591,407	100.00%		11.83%

(1) If the utility's capital structure is not used, explain which capital structure is used.

\_\_\_\_\_

\_\_\_\_\_

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity: 11.83%

Commission order approving Return on Equity: #10-0401-PAA-WS issued June 18, 2010

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate: N/A

Commission order approving AFUDC rate: N/A

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

WS926-10-AR NORTH BEACH UTILITIES, INC

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**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 500	\$	\$	\$	\$	\$ 500
Preferred Stock						0
Long Term Debt	917,706					917,706
Customer Deposits	16,292					16,292
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes	22,797					22,797
Other (Explain)						0
Additional paid in capital	634,112					634,112
Total	\$ 1,591,407	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,591,407

(1) Explain below all adjustments made in Columns (e) and (f):

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 2,932,584	\$ 2,532,548	\$	\$ 5,465,132
102	Utility Plant Leased to Other				0
103	Property Held for Future Use				0
104	Utility Plant Purchased or Sold				0
105	Construction Work in Progress				0
106	Completed Construction Not Classified				0
	Total Utility Plant	\$ 2,932,584	\$ 2,532,548	\$ 0	\$ 5,465,132

**UTILITY PLANT ACQUISITION ADJUSTMENTS  
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.  
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment None	\$	\$	\$	\$ 0
					0
					0
					0
					0
	Total Plant Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
115	Accumulated Amortization None	\$	\$	\$	\$ 0
					0
					0
					0
					0
	Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	Net Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0

**ACCUMULATED DEPRECIATION ( ACCT. 108 ) AND AMORTIZATION (ACCT. 110)**

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
<b>Account 108</b>				
Balance first of year	\$ 1,331,110	\$ 1,255,447	\$	\$ 2,586,557
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 101,427	\$ 74,411	\$	\$ 175,838
Account 108.2 (2)				0
Account 108.3 (2)				0
Other Accounts (specify):				0
				0
				0
Salvage				0
Other Credits (Specify):				0
				0
Total Credits	\$ 101,427	\$ 74,411	\$ 0	\$ 175,838
Debits during year:				
Book cost of plant retired	7,202	36,646		43,848
Cost of Removal				0
Other Debits (specify):	56,358			56,358
Cumulative prior year depreciation in excess of cost				0
Total Debits	\$ 63,560	\$ 36,646	\$ 0	\$ 100,206
Balance end of year	\$ 1,368,977	\$ 1,293,212	\$ 0	\$ 2,662,189
<b>ACCUMULATED AMORTIZATION</b>				
<b>Account 110</b>				
Balance first of year	\$ 0	\$ 0	\$ 0	\$ 0
Credit during year:				
Accruals charged to:				
	\$	\$	\$	\$ 0
Account 110.2 (3)	0			0
Other Accounts (specify):				0
				0
Total credits	\$ 0	\$ 0	\$ 0	\$ 0
Debits during year:				
Book cost of plant retired				0
Other debits (specify):				0
				0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ 0	\$ 0	\$ 0	\$ 0

- (1) Account 108 for Class B utilities.  
(2) Not applicable for Class B utilities.  
(3) Account 110 for Class B utilities.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
None	\$		\$
Total	\$ 0		\$ 0

**NONUTILITY PROPERTY (ACCOUNT 121)**

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.  
Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
None	\$	\$	\$	\$ 0
				0
				0
				0
Total Nonutility Property	\$ 0	\$ 0	\$ 0	\$ 0

**SPECIAL DEPOSITS ( ACCOUNTS 132 AND 133)**

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): None	\$
Total Special Deposits	\$ 0
OTHER SPECIAL DEPOSITS (Account 133): None	\$
Total Other Special Deposits	\$ 0



UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

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# **INVESTMENTS AND SPECIAL FUNDS**

## **ACCOUNTS 123 - 127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Investment		\$ <u>0</u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE		\$ _____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
Total Special Funds		\$ <u>0</u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**ACCOUNTS AND NOTES RECEIVABLE - NET**  
**ACCOUNTS 141 - 144**

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in  
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 53,466	
Wastewater	40,484	
Total Customer Accounts Receivable		\$ 93,950
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
A/R CIAC	\$ 975	
Total Other Accounts Receivable		\$ 975
NOTES RECEIVABLE (Account 144 ):		
None	\$	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 94,925
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143)		
Balance first of year	\$	
Add: Provision for uncollectibles for current year	\$	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions	\$ 0	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ 0	
Balance end of year		\$ 0
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 94,925

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES**

**ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
North Beach Investment Company Inc	\$ 105048
Total	\$ 105048

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES**

**ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE		\$
	%	
	%	
	%	
	%	
	%	
	%	
	%	
	%	
	%	
Total		\$ 0

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS**

**ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Employee advances	\$ 48,037
Employee health insurance advances	591
Total Miscellaneous Current and Accrued Liabilities	\$ 48,628

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

<b>YEAR OF REPORT</b> December 31, 2010
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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT  
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):		
Amortization of debt expense	\$ 1,376	\$ 6,756
Total Unamortized Debt Discount and Expense	\$ 1,376	\$ 6,756
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
	\$	\$
Total Unamortized Premium on Debt	\$ 0	\$ 0

**EXTRAORDINARY PROPERTY LOSSES**

**ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
None	\$
Total Extraordinary Property Losses	\$ 0

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
None	\$	\$
Total Deferred Rate Case Expense	\$ 0	\$ 0
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
Prepaid insurance	\$	\$ 4,371
Electric deposits		1,000
Misc prepaid expense		357
Total Other Deferred Debits	\$ 0	\$ 5,728
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
None	\$	\$
Total Regulatory Assets	\$ 0	\$ 0
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 0	\$ 5,728

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%	\$ 1
Shares authorized		500
Shares issued and outstanding		500
Total par value of stock issued	%	\$ 500
Dividends declared per share for year	%	\$
PREFERRED STOCK		
Par or stated value per share	%	\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	%	\$
Dividends declared per share for year	%	\$

\* Account 204 not applicable for Class B utilities.

**BONDS  
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 0

\* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**STATEMENT OF RETAINED EARNINGS**

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ (223,180)
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ 0
	Debits: _____	\$ _____
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ 26,536
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ 0
215	Year end Balance	\$ (196,644)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ (196,644)

## Notes to Statement of Retained Earnings:

Beginning Retained Earnings decreased by \$15,541 to reflect 2009 Federal and State Income Tax expenses not adjusted on the Annual Report as filed. Beginning Retained Earnings increased by \$56,358 to adjust for cumulative prior year depreciation taken in excess of cost by continuing to depreciate assets beyond service lives.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**ADVANCES FROM ASSOCIATED COMPANIES**

**ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$
Total	\$ 0

**OTHER LONG-TERM DEBT**

**ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
N/P GMAC - Chevy Truck	7.87 %	Fixed	\$ 10,471
N/P Suntrust Bank - Consolidation loan	6.00 %	Fixed	907,235
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 917,706

\* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)



UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**NOTES PAYABLE  
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE ( Account 232):			
		% Fixed	\$
		% Fixed	
		%	
		%	
		%	
		%	
		%	
		%	
		%	
Total Account 232			\$ 0
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
		%	\$
Due to Officers		%	195,000
Accrued interest due to related party		%	108,181
		%	
*Due to error in PSC worksheet linking this information is detail for		%	
Accounts Payable to Associated companies		%	
		%	
		%	
		%	
Total Account 234			\$ 303,181

\* For variable rate obligations, provide the basis for the rate. (i.e., prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES  
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
*See Above	\$
Total	\$ 0

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ 158		\$	\$ 145	\$ 13
Total Account 237.1	\$ 158		\$ 0	\$ 145	\$ 13
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$	427	\$ 707	\$ 707	\$
SunTrust Interest - Truck loan		427	1,754	1,754	
SunTrust Interest - Consolidation loan		427	55,058	55,058	
Total Account 237.2	\$ 0		\$ 57,519	\$ 57,519	\$ 0
Total Account 237 (1)	\$ 158		\$ 57,519	\$ 57,664	\$ 13
INTEREST EXPENSED:				(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.  (2) Must agree to F-3 (c), Current Year Interest Expense	
Total accrual Account 237		237	\$ 57,519		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 57,519		

UTILITY NAME: **WS926-10-AR** **NORTH BEACH UTILITIES, INC**

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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES**  
**ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued employee leasing expense	\$ 2,575
Total Miscellaneous Current and Accrued Liabilities	\$ 2,575

**ADVANCES FOR CONSTRUCTION  
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE	\$		\$	\$	\$ 0
					0
					0
					0
					0
					0
					0
					0
					0
					0
Total	\$ 0		\$ 0	\$ 0	\$ 0

\* Report advances separately by reporting group, designating water or wastewater in column (a).

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**OTHER DEFERRED CREDITS  
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
NONE	\$	\$
Total Regulatory Liabilities	\$	\$
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
NONE	\$	\$
Total Other Deferred Liabilities	\$	\$
TOTAL OTHER DEFERRED CREDITS	\$	\$

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**CONTRIBUTIONS IN AID OF CONSTRUCTION**  
**ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>923,247</u>	\$ <u>1,488,414</u>	\$ _____	\$ <u>2,411,661</u>
Add credits during year:	\$ <u>6,530</u>	\$ <u>6,750</u>	\$ _____	\$ <u>13,280</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>929,777</u></u>	\$ <u><u>1,495,164</u></u>	\$ <u><u>0</u></u>	\$ <u><u>2,424,941</u></u>

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION**  
**ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>385,861</u>	\$ <u>526,947</u>	\$ _____	\$ <u>912,808</u>
Debits during the year:	\$ <u>25,848</u>	\$ <u>42,761</u>	\$ _____	\$ <u>68,609</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>411,709</u></u>	\$ <u><u>569,708</u></u>	\$ <u><u>0</u></u>	\$ <u><u>981,417</u></u>

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE  
INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year.  
The reconciliation shall be submitted even though there is no taxable income for the year.  
Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 26,536
Reconciling items for the year:		
Taxable income not reported on books:		
Tap fees adjustment		1,130
Deductions recorded on books not deducted for return:		
1/2 Entertainment & meals		250
Federal income tax - current & deferred		8,930
State income tax - deferred		334
Income recorded on books not included in return:		
Deduction on return not charged against book income:		
Depreciation		(3,119)
Federal tax net income		\$ 34,061

Computation of tax :

**WATER  
OPERATION  
SECTION**

**UTILITY NAME:**

**WS926-10-AR NORTH BEACH UTILITIES, INC**

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## WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-14) must be filed for each system in the group.

All of the following water pages (W-2 through W-14) should be completed for each group and arranged by group number.

[illegible]



UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

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SYSTEM NAME / COUNTY :

## SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,932,584
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,368,977
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	W-7	929,777
252	Advances for Construction	F-20	
Subtotal			\$ 633,830
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 411,709
Subtotal			\$ 1,045,539
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		48,083
	Other (Specify):		
WATER RATE BASE			\$ 1,093,622
WATER OPERATING INCOME		W-3	\$ 118,945
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			10.88%

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and  
Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
400	UTILITY OPERATING INCOME Operating Revenues	W-9	\$ 678,542
469	Less: Guaranteed Revenue and AFPI	W-9	0
Net Operating Revenues			\$ 678,542
401	Operating Expenses	W-10(a)	\$ 384,662
403	Depreciation Expense	W-6(a)	101,427
	Less: Amortization of CIAC	W-8(a)	25,848
Net Depreciation Expense			\$ 75,579
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	0
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		30,534
408.11	Property Taxes		38,920
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 69,454
409.1	Income Taxes		38,199
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		(8,297)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 559,597
Utility Operating Income			\$ 118,945
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 0
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 118,945

W-3

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ _____	\$ _____	\$ _____	\$ _____ 0
302	Franchises	_____	_____	_____	_____ 0
303	Land and Land Rights	70,283	0	0	70,283
304	Structures and Improvements	90,934	_____	_____	90,934
305	Collecting and Impounding Reservoirs	_____	_____	_____	0
306	Lake, River and Other Intakes	_____	_____	_____	0
307	Wells and Springs	15,970	_____	_____	15,970
308	Infiltration Galleries and Tunnels	_____	_____	_____	0
309	Supply Mains	3,790	_____	_____	3,790
310	Power Generation Equipment	14,228	_____	_____	14,228
311	Pumping Equipment	88,074	3,300	4,007	87,367
320	Water Treatment Equipment	446,804	_____	_____	446,804
330	Distribution Reservoirs and Standpipes	440,238	_____	_____	440,238
331	Transmission and Distribution Mains	1,359,621	_____	_____	1,359,621
333	Services	107,831	_____	_____	107,831
334	Meters and Meter Installations	184,136	6,287	2,455	187,968
335	Hydrants	29,987	_____	_____	29,987
336	Backflow Prevention Devices	_____	_____	_____	0
339	Other Plant Miscellaneous Equipment	_____	_____	_____	0
340	Office Furniture and Equipment	5,233	1,556	740	6,049
341	Transportation Equipment	42,104	_____	_____	42,104
342	Stores Equipment	_____	_____	_____	0
343	Tools, Shop and Garage Equipment	1,476	_____	_____	1,476
344	Laboratory Equipment	_____	_____	_____	0
345	Power Operated Equipment	24,471	133	_____	24,604
346	Communication Equipment	_____	_____	_____	0
347	Miscellaneous Equipment	_____	_____	_____	0
348	Other Tangible Plant	3,330	_____	_____	3,330
TOTAL WATER PLANT		\$ 2,928,510	\$ 11,276	\$ 7,202	\$ 2,932,584

**NOTE:** Any adjustments made to reclassify property from one account to another must be footnoted.

W-4(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT  
December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER UTILITY PLANT MATRIX**

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 0	\$	\$	\$	\$	\$
302	Franchises	0					
303	Land and Land Rights	70,283					70,283
304	Structures and Improvements	90,934					90,934
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	15,970		15,970			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	3,790		3,790			
310	Power Generation Equipment	14,228		14,228			
311	Pumping Equipment	87,367		87,367			
320	Water Treatment Equipment	446,804			446,804		
330	Distribution Reservoirs and Standpipes	440,238				440,238	
331	Transmission and Distribution Mains	1,359,621				1,359,621	
333	Services	107,831				107,831	
334	Meters and Meter Installations	187,968				187,968	
335	Hydrants	29,987				29,987	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	6,049					6,049
341	Transportation Equipment	42,104					42,104
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	1,476					1,476
344	Laboratory Equipment	0					
345	Power Operated Equipment	24,604					24,604
346	Communication Equipment	0					
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	3,330					3,330
TOTAL WATER PLANT		\$ 2,932,584	\$ 0	\$ 121,355	\$ 446,804	\$ 2,125,645	\$ 238,780

W-4(b)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC**YEAR OF REPORT**

December 31, 2010

SYSTEM NAME / COUNTY :

**BASIS FOR WATER DEPRECIATION CHARGES**

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	28		3.57%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	27		3.70%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	32		3.13%
310	Power Generation Equipment	17		5.88%
311	Pumping Equipment	17		5.88%
320	Water Treatment Equipment	17		5.88%
330	Distribution Reservoirs and Standpipes	33		3.03%
331	Transmission and Distribution Mains	38		2.63%
333	Services	35		2.86%
334	Meters and Meter Installations	17		5.88%
335	Hydrants	40		2.50%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	14		7.14%
344	Laboratory Equipment			
345	Power Operated Equipment	10		10.00%
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	10		10.00%
Water Plant Composite Depreciation Rate *				

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**  
December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 68,041	\$ 2,827	\$	\$ 2,827
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	17,228	15		15
308	Infiltration Galleries and Tunnels				0
309	Supply Mains	1,886	119		119
310	Power Generation Equipment	7,488	604		604
311	Pumping Equipment	82,894	2,216		2,216
320	Water Treatment Equipment	372,762	24,616		24,616
330	Distribution Reservoirs and Standpipes	118,469	13,339		13,339
331	Transmission and Distribution Mains	448,017	35,758		35,758
333	Services	55,763	3,084		3,084
334	Meters and Meter Installations	74,969	10,521		10,521
335	Hydrants	7,238	750		750
336	Backflow Prevention Devices				0
339	Other Plant Miscellaneous Equipment				0
340	Office Furniture and Equipment	672	1,856		1,856
341	Transportation Equipment	50,200	3,163		3,163
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment	14	105		105
344	Laboratory Equipment				0
345	Power Operated Equipment	17,399	2,454		2,454
346	Communication Equipment				0
347	Miscellaneous Equipment				0
348	Other Tangible Plant	8,070	0		0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,331,110	101,427	0	101,427

\* Specify nature of transaction  
Use ( ) to denote reversal entries.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
304	Structures and Improvements	\$	\$	\$ 2,600	\$ 2,600	\$ 68,268
305	Collecting and Impounding Reservoirs				0	0
306	Lake, River and Other Intakes				0	0
307	Wells and Springs			1,323	1,323	15,920
308	Infiltration Galleries and Tunnels				0	0
309	Supply Mains				0	2,005
310	Power Generation Equipment			2,456	2,456	5,636
311	Pumping Equipment	4,007		18,786	22,793	62,317
320	Water Treatment Equipment			8,890	8,890	388,488
330	Distribution Reservoirs and Standpipes				0	131,808
331	Transmission and Distribution Mains			196	196	483,579
333	Services			(7)	(7)	58,854
334	Meters and Meter Installations	2,455		(161)	2,294	83,196
335	Hydrants			(10)	(10)	7,998
336	Backflow Prevention Devices				0	0
339	Other Plant Miscellaneous Equipment				0	0
340	Office Furniture and Equipment	740		(798)	(58)	2,586
341	Transportation Equipment	0		17,269	17,269	36,094
342	Stores Equipment				0	0
343	Tools, Shop and Garage Equipment	0		(882)	(882)	1,001
344	Laboratory Equipment				0	0
345	Power Operated Equipment			1,956	1,956	17,897
346	Communication Equipment				0	0
347	Miscellaneous Equipment				0	0
348	Other Tangible Plant			4,740	4,740	3,330
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 7,202	\$ 0	\$ 56,358	\$ 63,560	\$ 1,368,977

W-6(b)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

**WS926-10-AR NORTH BEACH UTILITIES, INC**

December 31, 2010

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## CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ 923,247
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 6,530
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	0
Total Credits		\$ 6,530
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$ 929,777

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all debits charged to Account 271 during the year below:

[illegible]



UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC**YEAR OF REPORT**

December 31, 2010

SYSTEM NAME / COUNTY :

**WATER CIAC SCHEDULE "A"**

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,  
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity	12	\$ 450	\$ 5,400
Tap	12	90	1,080
Tap surcharge for larger meter	1	50	50
			0
			0
			0
			0
			0
Total Credits			\$ 6,530

**ACCUMULATED AMORTIZATION OF WATER  
CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 385,861
Debits during the year:	
Accruals charged to Account 272	\$ 25,848
Other debits (specify) :	
Total debits	\$ 25,848
Credits during the year (specify) :	
	\$
Total credits	\$ 0
Balance end of year	\$ 411,709

W-8(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

**WS926-10-AR NORTH BEACH UTILITIES, INC**

December 31, 2010

---

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION  
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS  
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

GROUP

# READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,096	1,114	567,276
461.2	Sales to Commercial Customers	33	33	88,718
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	6	6	20,202
Total Metered Sales		1,135	1,153	\$ 676,196
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	0	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,135	1,153	\$ 676,196
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,346
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 2,346
Total Water Operating Revenues				\$ 678,542

\* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 0	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	0		
604	Employee Pensions and Benefits	17,968		
610	Purchased Water	0		
615	Purchased Power	45,097	22,549	
616	Fuel for Power Production	716	358	
618	Chemicals	23,547		11,774
620	Materials and Supplies	10,816		3,606
631	Contractual Services-Engineering	15,603		
632	Contractual Services - Accounting	12,480		
633	Contractual Services - Legal	0		
634	Contractual Services - Mgt. Fees	30,720		
635	Contractual Services - Testing	3,175		
636	Contractual Services - Other	177,076	142,704	3,800
641	Rental of Building/Real Property	0		
642	Rental of Equipment	350		
650	Transportation Expenses	10,131	3,377	
656	Insurance - Vehicle	2,460		
657	Insurance - General Liability	10,339		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	1,824		
675	Miscellaneous Expenses	22,360	5,590	
Total Water Utility Expenses		\$ 384,662	\$ 174,578	\$ 19,180

W-10(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC**YEAR OF REPORT**

December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER UTILITY EXPENSE ACCOUNT MATRIX**

<b>.3 WATER TREATMENT EXPENSES - OPERATIONS (f)</b>	<b>.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)</b>	<b>.5 TRANSMISSION &amp; DISTRIBUTION EXPENSES - OPERATIONS (h)</b>	<b>.6 TRANSMISSION &amp; DISTRIBUTION EXPENSES - MAINTENANCE (i)</b>	<b>.7 CUSTOMER ACCOUNTS EXPENSE (j)</b>	<b>.8 ADMIN. &amp; GENERAL EXPENSES (k)</b>
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	17,968
22,548	_____	_____	_____	_____	_____
358	_____	_____	_____	_____	_____
11,773	_____	_____	_____	_____	_____
_____	3,605	_____	_____	_____	_____
_____	_____	_____	_____	_____	15,603
_____	_____	_____	_____	_____	12,480
_____	_____	_____	_____	_____	30,720
3,175	_____	_____	_____	_____	_____
3,800	3,800	3,800	3,800	_____	15,372
_____	_____	_____	_____	_____	_____
_____	_____	_____	350	_____	_____
3,377	_____	3,377	_____	_____	_____
_____	_____	_____	_____	_____	2,460
_____	_____	_____	_____	_____	10,339
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
5,590	_____	5,590	_____	1,824	5,590
\$ <u>50,621</u>	\$ <u>7,405</u>	\$ <u>12,767</u>	\$ <u>7,755</u>	\$ <u>1,824</u>	\$ <u>110,532</u>

W-10(b)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE ( Omit 000's ) (b)	FINISHED WATER PUMPED FROM WELLS ( Omit 000's ) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED ( Omit 000's )   (b)+(c)-(d)   (e)	WATER SOLD TO CUSTOMERS ( Omit 000's ) (f)
January		7,701		7,701	9,432
February		6,078		6,078	7,537
March		6,976		6,976	8,591
April		8,557		8,557	12,852
May		9,296		9,296	9,786
June		10,807		10,807	13,639
July		10,947		10,947	16,855
August		9,207		9,207	11,878
September		8,673		8,673	12,169
October		8,945		8,945	10,551
November		7,972		7,972	10,538
December		7,496		7,496	9,676
Total for Year	0	102,655	0	102,655	133,504

If water is purchased for resale, indicate the following:

Vendor N/A

Point of delivery

If water is sold to other water utilities for redistribution, list names of such utilities below:

N/A

## SOURCE OF SUPPLY

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well A	616 GPM	1,361 Avg daily flow	Artesian well
Well B	1,800 GPM	344,470 Avg daily flow	Artesian well

W-11

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

SYSTEM NAME / COUNTY :

### WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):

777,600

Location of measurement of capacity  
(i.e. Wellhead, Storage Tank):

Storage Tank

Type of treatment (reverse osmosis,  
(sedimentation, chemical, aerated, etc.):

Aerated/Reverse Osmosis/Blend

#### LIME TREATMENT

Unit rating (i.e., GPM, pounds  
per gallon):

N/A

Manufacturer:

N/A

#### FILTRATION

Type and size of area:

Pressure (in square feet):

N/A

Manufacturer:

N/A

Gravity (in GPM/square feet):

N/A

Manufacturer:

N/A

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

### CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	1,103	1,103
3/4"	Displacement	1.5	1	2
1"	Displacement	2.5	11	28
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	4	32
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>1.170</u>

### CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- If no historical flow data are available, use:  

$$ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$$

ERC Calculation:

$(112,076,800 \text{ Total annual single family gallons sold} / 1,243 \text{ average SFR customers}) / 365 \text{ days} = 247 \text{ ERC}$



UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

**YEAR OF REPORT**

December 31, 2010

SYSTEM NAME / COUNTY :

\_\_\_\_\_

### OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERCs \* the system can efficiently serve. 3,308
2. Maximum number of ERCs \* which can be served. 3,308
3. Present system connection capacity (in ERCs \*) using existing lines. 3,308
4. Future connection capacity (in ERCs \*) upon service area buildout. 3,060
5. Estimated annual increase in ERCs \*. 10
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities. \_\_\_\_\_
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:  
None  
\_\_\_\_\_  
\_\_\_\_\_
9. When did the company last file a capacity analysis report with the DEP? February 15, 2000
10. If the present system **does not** meet the requirements of DEP rules:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules. \_\_\_\_\_
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading. \_\_\_\_\_
  - e. Is this system under any Consent Order with DEP? \_\_\_\_\_
11. Department of Environmental Protection ID # 2550812
12. Water Management District Consumptive Use Permit # 157
  - a. Is the system in compliance with the requirements of the CUP? Yes
  - b. If not, what are the utility's plans to gain compliance? N/A

\* An ERC is determined based on the calculation on the bottom of Page W-13.

W-14

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

**WASTEWATER  
OPERATION  
SECTION**

**WS926-10-AR NORTH BEACH UTILITIES, INC**

December 31, 2010

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 2,532,548
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,293,211
110	Accumulated Amortization	F-8	0
271	Contributions in Aid of Construction	S-7	1,495,164
252	Advances for Construction	F-20	
Subtotal			\$ (255,827)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 569,708
Subtotal			\$ 313,881
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		51,112
	Other (Specify):		
WASTEWATER RATE BASE			\$ 364,993
WASTEWATER OPERATING INCOME		S-3	\$ (33,514)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			-9.18%

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and  
Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 429,255
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 429,255
401	Operating Expenses	S-10(a)	\$ 408,896
403	Depreciation Expense	S-6(a)	74,411
	Less: Amortization of CIAC	S-8(a)	42,761
Net Depreciation Expense			\$ 31,650
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	0
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		19,316
408.11	Property Taxes		21,945
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 41,261
409.1	Income Taxes		(28,083)
410.10	Deferred Federal Income Taxes		7,337
410.11	Deferred State Income Taxes		1,708
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 462,769
Utility Operating Income			\$ (33,514)
Add Back:			
530	Guaranteed Revenue (and AFPI)	S-9(a)	\$ 0
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ (33,514)

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$	\$	\$	\$ 0
352	Franchises				0
353	Land and Land Rights	246,973			246,973
354	Structures and Improvements	29,772			29,772
355	Power Generation Equipment				0
360	Collection Sewers - Force	497,280			497,280
361	Collection Sewers - Gravity				0
362	Special Collecting Structures				0
363	Services to Customers	21,604			21,604
364	Flow Measuring Devices				0
365	Flow Measuring Installations				0
366	Reuse Services				0
367	Reuse Meters and Meter Installations				0
370	Receiving Wells	863,073		36,011	827,062
371	Pumping Equipment		39,492		39,492
374	Reuse Distribution Reservoirs				0
375	Reuse Transmission and Distribution System				0
380	Treatment and Disposal Equipment	787,347			787,347
381	Plant Sewers				0
382	Outfall Sewer Lines				0
389	Other Plant Miscellaneous Equipment	11,470			11,470
390	Office Furniture and Equipment	2,955	527	635	2,847
391	Transportation Equipment	27,429			27,429
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment	2,632	106		2,738
394	Laboratory Equipment				0
395	Power Operated Equipment	38,401	133		38,534
396	Communication Equipment				0
397	Miscellaneous Equipment				0
398	Other Tangible Plant				0
Total Wastewater Plant		\$ 2,528,936	\$ 40,258	\$ 36,646	\$ 2,532,548

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

S-4(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT  
December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$	\$	\$	\$	\$	\$	\$
352	Franchises							
353	Land and Land Rights							246,973
354	Structures and Improvements							29,772
355	Power Generation Equipment							
360	Collection Sewers - Force		497,280					
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers		21,604					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			827,062				
371	Pumping Equipment			39,492				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				787,347			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				11,470			
390	Office Furniture and Equipment							2,847
391	Transportation Equipment							27,429
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							2,738
394	Laboratory Equipment							
395	Power Operated Equipment							38,534
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
Total Wastewater Plant		\$ 0	\$ 518,884	\$ 866,554	\$ 798,817	\$ 0	\$ 0	\$ 348,293

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

S-4(b)  
GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements	27		3.70%
355	Power Generation Equipment			
360	Collection Sewers - Force	27		3.70%
361	Collection Sewers - Gravity			
362	Special Collecting Structures			
363	Services to Customers	35		2.86%
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells	25		4.00%
371	Pumping Equipment	15		6.67%
374	Reuse Distribution Reservoirs			
375	Reuse Transmission/Distribution Sys.			
380	Treatment and Disposal Equipment	15		6.67%
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment	10		10.00%
390	Office Furniture and Equipment	15		6.67%
391	Transportation Equipment	6		16.67%
392	Stores Equipment			
393	Tools, Shop and Garage Equipment	14		7.14%
394	Laboratory Equipment			
395	Power Operated Equipment	10		10.00%
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *				

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.



UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS ( d + e ) (f)
354	Structures and Improvements	\$ 16,299	\$ 1,102		\$ 1,102
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	246,837	18,399		18,399
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	7,147	618		618
364	Flow Measuring Devices	0			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	246,685	44,204		44,204
371	Pumping Equipment	0	1,317		1,317
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	684,203	0		0
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	6,512	1,045		1,045
390	Office Furniture and Equipment	348	1,414		1,414
391	Transportation Equipment	18,034	3,311		3,311
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	2,197	147		147
394	Laboratory Equipment	0			0
395	Power Operated Equipment	27,184	2,854		2,854
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 1,255,446	\$ 74,411	\$ 0	\$ 74,411

\* Specify nature of transaction.  
Use ( ) to denote reversal entries.

S-6(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$	\$	\$	\$ 0	\$ 17,401
355	Power Generation Equipment				0	0
360	Collection Sewers - Force				0	265,236
361	Collection Sewers - Gravity				0	0
362	Special Collecting Structures				0	0
363	Services to Customers				0	7,765
364	Flow Measuring Devices				0	0
365	Flow Measuring Installations				0	0
366	Reuse Services				0	0
367	Reuse Meters and Meter Installations				0	0
370	Receiving Wells	36,011			36,011	254,878
371	Pumping Equipment				0	1,317
374	Reuse Distribution Reservoirs				0	0
375	Reuse Transmission/Distribution Sys.				0	0
380	Treatment and Disposal Equipment				0	684,203
381	Plant Sewers				0	0
382	Outfall Sewer Lines				0	0
389	Other Plant Miscellaneous Equipment				0	7,557
390	Office Furniture and Equipment	635			635	1,127
391	Transportation Equipment				0	21,345
392	Stores Equipment				0	0
393	Tools, Shop and Garage Equipment				0	2,344
394	Laboratory Equipment				0	0
395	Power Operated Equipment				0	30,038
396	Communication Equipment				0	0
397	Miscellaneous Equipment				0	0
398	Other Tangible Plant				0	0
Total Depreciable Wastewater Plant in Service		\$ 36,646	\$ 0	\$ 0	\$ 36,646	\$ 1,293,211

\* Specify nature of transaction.  
Use ( ) to denote reversal entries.

S-6(b)

GROUP

READ ACCOUNTANTS' COMPILATION REPORT

**YEAR OF REPORT**  
December 31, 2010

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ 1,488,414
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ 6,750
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	0
Total Credits		\$ 6,750
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$ 1,495,164

Explain all debits charged to Account 271 during the year below:

[illegible]

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

**WASTEWATER CIAC SCHEDULE "A"**

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,  
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity	9	\$ 750	\$ 6,750
			0
			0
			0
			0
			0
			0
			0
			0
Total Credits			\$ 6,750

**ACCUMULATED AMORTIZATION OF WASTEWATER  
CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 526,947
Debits during the year:	
Accruals charged to Account 272	\$ 42,761
Other debits (specify) :	
Total debits	\$ 42,761
Credits during the year (specify) :	
	\$
Total credits	\$ 0
Balance end of year	\$ 569,708

S-8(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

**WS926-10-AR NORTH BEACH UTILITIES, INC**

December 31, 2010

\_\_\_\_\_

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION  
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS  
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

[illegible]

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues	680	679	\$ 305,833
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	5	5	43,841
521.6	Other Revenues			100
521	Total Flat Rate Revenues	685	684	\$ 349,774
522.1	Measured Revenues: Residential Revenues			
522.2	Commercial Revenues	25	26	79,481
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	25	26	\$ 79,481
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		710	710	\$ 429,255
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues			
Total Other Wastewater Revenues				\$ 0

\* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

S-9(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues			\$
540.2	Commercial Reuse Revenues			
540.3	Industrial Reuse Revenues			
540.4	Reuse Revenues From Public Authorities			
540.5	Other Revenues			
540	Total Flat Rate Reuse Revenues	0	0	\$ 0
541.1	Measured Reuse Revenues: Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues	0	0	\$ 0
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ 0
Total Wastewater Operating Revenues				\$ 429,255

\* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

S-9(b)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 0	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	0						
704	Employee Pensions and Benefits	10,113						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	133,908					133,908	
715	Purchased Power	21,070					21,070	
716	Fuel for Power Production	403					403	
718	Chemicals	15,595				7,797		7,798
720	Materials and Supplies	22,884		7,628		7,628		7,628
731	Contractual Services-Engineering	5,383						
732	Contractual Services - Accounting	7,020						
733	Contractual Services - Legal	0						
734	Contractual Services - Mgt. Fees	17,280						
735	Contractual Services - Testing	7,956					7,956	
736	Contractual Services - Other	141,291	1,544	1,544	1,543	1,543	106,051	1,543
741	Rental of Building/Real Property	0						
742	Rental of Equipment	110					110	
750	Transportation Expenses	5,682	1,894		1,894		1,894	
756	Insurance - Vehicle	1,384						
757	Insurance - General Liability	4,624						
758	Insurance - Workman's Comp.	0						
759	Insurance - Other	0						
760	Advertising Expense	0						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	0						
767	Regulatory Commission Exp.-Other	0					0	
770	Bad Debt Expense	1,028						
775	Miscellaneous Expenses	13,165	3,292		3,291		3,291	
Total Wastewater Utility Expenses		\$ 408,896	\$ 6,730	\$ 9,172	\$ 6,728	\$ 16,968	\$ 274,683	\$ 16,969

S-10(a)

GROUP \_\_\_\_\_

READ ACCOUNTANTS' COMPILATION REPORT



UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits		10,113				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		5,383				
732	Contractual Services - Accounting		7,020				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees		17,280				
735	Contractual Services - Testing						
736	Contractual Services - Other	1,543	25,980				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle		1,384				
757	Insurance - General Liability		4,624				
758	Insurance - Workman's Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	1,028					
775	Miscellaneous Expenses		3,291				
Total Wastewater Utility Expenses		\$ 2,571	\$ 75,075	\$ 0	\$ 0	\$ 0	\$ 0

S-10(b)

GROUP

READ ACCOUNTANTS' COMPILATION REPORT

UTILITY NAME:

WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY :

## CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		0
5/8"	Displacement	1.0	679	679
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0		0
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5		0
4"	Displacement or Compound	25.0		0
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				679

CALCULATION OF THE WASTEWATER SYSTEM  
EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

$$\text{ERC} = (\text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

**NOTE:** Total gallons treated includes both treated and purchased treatment.

ERC Calculation:

Sewer is flat rate. No flow data available for sewer and no information available for separation of gallons treated between residential and other.

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

### WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	.300MGD		
Basis of Permit Capacity (1)	Avg Annual Daily Flow		
Manufacturer			
Type (2)	Extended Aeration		
Hydraulic Capacity	.317 MGD		
Average Daily Flow	Annual Avg .125 MGD		
Total Gallons of Wastewater Treated	41.25 MGD		
Method of Effluent Disposal	Rapid I Filtration Basin		

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit  
(i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

S-12

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME: WS926-10-AR NORTH BEACH UTILITIES, INC

YEAR OF REPORT

December 31, 2010

SYSTEM NAME / COUNTY : \_\_\_\_\_

### OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary

1. Present number of ERCs\* now being served 152
2. Maximum number of ERCs\* which can be served 304
3. Present system connection capacity (in ERCs\*) using existing lines 304
4. Future connection capacity (in ERCs\*) upon service area buildout 304
5. Estimated annual increase in ERCs\* 10
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. \_\_\_\_\_
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? No  
  
If so, when? \_\_\_\_\_
9. Has the utility been required by the DEP or water management district to implement reuse? No  
  
If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
10. When did the company last file a capacity analysis report with the DEP? Apr-09
11. If the present system does not meet the requirements of DEP rules:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules. \_\_\_\_\_
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading. \_\_\_\_\_
  - e. Is this system under any Consent Order with DEP? No
12. Department of Environmental Protection ID # FLA0011765

\* An ERC is determined based on the calculation on S-11.